

**HEALTH SERVICES AND DEVELOPMENT AGENCY MEETING
JUNE 27, 2018
APPLICATION SUMMARY**

NAME OF PROJECT: Maxim Healthcare Services, Inc.

PROJECT NUMBER: CN1803-013

ADDRESS: 115 East Park Drive, Suite 200
Brentwood (Williamson County), Tennessee 37027

LEGAL OWNER: Maxim Healthcare Services, Inc.
7227 Lee DeForest Drive
Columbia (Howard County), MD 21046

OPERATING ENTITY: N/ A

CONTACT PERSON: John Wellborn
(615) 665-2022

DATE FILED: March 14, 2018

PROJECT COST: \$90,000

FINANCING: Cash Reserves

PURPOSE FOR FILING: Addition of 7 Middle Tennessee Counties to the applicant's existing home health license

DESCRIPTION:

Maxim Healthcare Services, Inc. (Maxim) is seeking approval for the addition of Bedford, Cannon, Coffee, Dekalb, Hickman, Marshall, and Maury Counties to its existing home health license. The existing nine county service area includes Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson Counties.

SERVICE SPECIFIC CRITERIA AND STANDARD REVIEW

HOME HEALTH SERVICES

1. **Determination of Need:** In a given county, 1.5 percent of the total population will be considered as the need estimate for home health services in that county. This 1.5 percent formula will be applied as a general guideline, as a means of comparison within the proposed Service Area.

The applicant applied the 1.5 percent need formula to the proposed service area population.

It appears this criterion has been met.

2. The need for home health services should be projected three years from the latest available year of final JAR data.

The applicant projected need three years from the 2017 final JAR.

It appears this criterion has been met.

3. The use rate of existing home health agencies in each county of the Service Area will be determined by examining the latest utilization rate as calculated from the JARs of existing home health agencies in the Service Area. Based on the number of patients served by home health agencies in the Service Area, estimation will be made as to how many patients could be served in the future.

According to the Department of Health Home Health Need Report that is based on 2016 data and projected for Year 2019, home health patients, generally speaking, are being adequately served by the existing home health agencies licensed to provide services in the service area.

4. **County Need Standard:** The applicant should demonstrate that there is a need for home health services in each county in the proposed Service Area by providing documentation (e.g., letters) where: a) health care providers had difficulty or were unable successfully to refer a patient to a home care organization and/or were dissatisfied with the quality of services provided by existing home care organizations based on Medicare's system Home Health Compare and/or similar data; b) potential patients or providers in the proposed Service Area attempted to find appropriate home health services but were not able to secure such services; c) providers supply an estimate of the potential number of patients that they might refer to the applicant.

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 2

Ten letters of support were submitted from providers located in Davidson and Williamson Counties. While these support letters come from providers located outside the seven county service area, eight of them specifically address need in some or all of the counties and six of them reference challenges to finding specialized pediatric home health care. None of the letters cited specific instances where referrals were unable to be made, where patients were dissatisfied with the services provided by other agencies, and/or an estimate of potential referrals. The applicant also provided copies of e-mails from United Healthcare, Amerigroup, and BlueCare/Select confirming that the additional seven counties could be added to its existing contracts with each of the MCOs.

It appears this criterion has been partially met.

5. Current Service Area Utilization: The applicant should document by county: a) all existing providers of home health services within the proposed Service Area; and b) the number of patients served during the most recent 12-month period for which data are available. To characterize existing providers located within Tennessee, the applicant should use final data provided by the JARs maintained by the Tennessee Department of Health. In each county of the proposed Service Area, the applicant should identify home health agencies that have reported serving 5 or fewer patients for each of the last three years based on final and available JAR data. If an agency in the proposed Service Area who serves few or no patients is opposing the application, that opponent agency should provide evidence as to why it does not serve a larger number of patients.

The applicant provided multiple tables on pages 37a-37m that includes all existing home health providers and the number of patients served for the latest three JAR reporting years.

It appears this criterion has been met.

6. Adequate Staffing: Using TDH Licensure data, the applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise, and retain the appropriate numbers of qualified personnel to provide the services described in the application and document that such personnel are available to work in the proposed Service Area. The applicant should state the percentage of qualified personnel directly employed or employed through a third party staffing agency.

With the proposed addition of 7 counties to the applicant's service area, the applicant does not anticipate any issues in filling nursing and aide positions in a

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 3

timely manner. None of the clinical staff will be employed through a third party agency. A staffing chart is located on page 56 of the application.

It appears this criterion has been met.

7. Community Linkage Plan: The applicant should provide a community linkage plan that demonstrates factors such as, but not limited to, referral arrangements with appropriate health care system providers/services (that comply with CMS patient choice protections) and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. A new provider may submit a proposed community linkage plan.

The applicant is an established home health agency and has an existing community linkage plan.

It appears this criterion has been met.

8. TennCare Managed Care Organizations (MCOs) and Financial Viability: Given the time frame required to obtain Medicare certification, an applicant proposing to contract with the Bureau of TennCare's MCOs should provide evidence of financial viability during the time period necessary to receive such certification. Applicants should be aware that MCOs are under no obligation to contract with home care organizations, even if Medicare certification is obtained, and that Private Duty Services are not Medicare certifiable services. Applicants who believe there is a need to serve TennCare patients should contact the TennCare MCOs in the region of the proposed Service Area and inquire whether their panels are open for home health services, as advised in the notice posted on the HSDA website, to determine whether at any given point there is a need for a provider in a particular area of the state; letters from the TennCare MCOs should be provided to document such need. See Note 2 for additional information.

Applicants should also provide information on projected revenue sources, including non-TennCare revenue sources.

The applicant contracts with the TennCare Managed Care Organizations BlueCare, UHC Community, TennCare Select and AmeriGroup. In Year 2019, the applicant projects \$909,414 gross TennCare revenues or 88% of total gross revenue. Documentation provided from three managed care organizations in the 1st supplemental noted additional counties could be added to Maxim's existing contracts.

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 4

It appears this criterion has been met.

9. Proposed Charges: The applicant's proposed charges should be reasonable in comparison with those of other similar agencies in the Service Area or in adjoining service areas. The applicant should list:

a. The average charge per visit and/or episode of care by service category, if available in the JAR data.

The applicant provided a chart on page 23 of the application that compares the Maxim cost per visit with other agencies in the proposed 7 county service area.

It appears this criterion has been met.

b. The average charge per patient based upon the projected number of visits and/or episodes of care and/or hours per patient, if available in the JAR data.

Average gross charges for the proposed 7 counties are as follows:

	Year One (2019)
Projected Home Health Gross Charge Per Skilled Visit	\$57.72
Projected Private Duty Net Charge Per Patient	\$38,976

Source: CN1803-013

It appears this criterion has been met.

10. Access: In concert with the factors set forth in HSDA Rule 0720-11-.01(1) (which lists those factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area for groups with special medical needs such as, but not limited to, medically fragile children, newborns and their mothers, and HIV/AIDS patients. Pediatrics is a special medical needs population, and therefore any provider applying to provide these services should demonstrate documentation of adequately trained staff specific to this population's needs with a plan to provide ongoing best practice education. For purposes of this Standard, an applicant should document need using population, service, special needs, and/or disease incidence rates. If granted, the Certificate of Need should be restricted on condition, and thus in its licensure, to serving the special group or groups identified in the application. The restricting language should be as follows: **CONDITION:** Home health agency services are limited to (*identified specialty service group*); the expansion of service beyond (*identified specialty service group*) will require the filing of a new

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 5

Certificate of Need application. Please see Note 3 regarding federal law prohibitions on discrimination in the provision of health care services.

Need is primarily based on the pediatric population as demonstrated by the calculation showing in 2017 as many as 155 pediatric patients needing care with only 72 served, leaving 83 patients unserved (1st Supplemental Response, page 9).

Specialized training is provided as described on pages 24-26 in the original application and on page 9 in the 1st Supplemental Response. Additionally, caregivers must complete 12 hours of pediatric continuing education and training and a Pediatric Competency Assessment annually.

Although Maxim holds an unrestricted license, its primary focus is on the provision of complex private duty pediatric care. Medicare certification is a requirement for TennCare participation; however, Medicare does not cover private duty care. Therefore, in order for any home health agency focusing on specialized care to receive TennCare reimbursement, it must provide some nominal Medicare services. Therefore, the license is unrestricted and must remain so in order to provide TennCare services (84% across its five agencies with 56% of it to the child/adolescent population.)

It appears this criterion has been met.

11. Quality Control and Monitoring: The applicant should identify and document its existing or proposed plan for data reporting (including data on patient re-admission to hospitals), quality improvement, and an outcome and process monitoring system (including continuum of care and transitions of care from acute care facilities). If applicable, the applicant should provide documentation that it is, or that it intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., the Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for home health services from CMS.

The applicant is accredited by the Accreditation Commission for Health Care (ACHC). Data reporting, quality improvement, and outcome and process monitoring systems are requirements for ACHC accreditation.

It appears this criterion has been met.

12. Data Requirements: Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 6

requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

The applicant attested to provide all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested.

It appears this criterion has been met.

STAFF SUMMARY

Note to Agency members: This staff summary is a synopsis of the original application and supplemental responses submitted by the applicant. Any HSDA Staff comments will be presented as a "Note to Agency members" in bold italic.

Maxim Healthcare Services, Inc. is a provider of home health specializing in providing private duty hourly care to medically complex pediatric patients that are typically insured by TennCare and commercial insurance. Statewide, approximately 84% of Maxim's five home health agencies services are delivered to TennCare patients, 56% of them children and adolescents. Maxim Healthcare Services, Inc. operates an unrestricted, licensed home health agency with its principal office in Williamson County, TN.

An overview of the project is provided on pages 2-4 of the original application.

The applicant projects the initiation of service in the proposed 7 county service area on or before January 1, 2019.

Ownership

The ownership structure for the applicant is as follows:

- Maxim Healthcare Services Inc. is a Maryland corporation owned 39.9% by Oak Investment Trust, 39.4% by Oak Investment Trust II, 19.9% owned by Stephen Bisciotti, and 0.8% owned by William Butz.
- Maxim provides home health services to 47 counties in Tennessee from 5 home health agencies with parent offices located in Nashville, Knoxville, Chattanooga, Memphis, and Johnson City.

NEED

Project Need

Maxim provides the following need justification in the application:

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 7

- The applicant requests the Agency to place more weight for project need on the testimony of physicians and nurses who serve patients in the service area counties, than of the current state health plan home health surplus projection.
- Physicians and nurses of Vanderbilt Children's Hospital, Saint Thomas Rutherford Hospital, Mercy Community Healthcare, and Old Harding pediatrics, among others, have written letters of support citing the need for Maxim to be approved for service in the proposed additional 7 county service area.
- Of the 46 home health agencies authorized to serve some or all of the applicant's proposed additional 7 counties, relatively few serve pediatric or TennCare patients, and the few who offer both pediatric care and TennCare accessibility are serving very small number of pediatric patients.

Service Area Demographics

- The total population of the proposed 7 county service area is estimated at 293,790 residents in calendar year (CY) 2018 increasing by approximately 2.1% to 299,825 residents in CY 2020.
- The overall statewide population is projected to grow by 2.2% from 2018 to 2020.
- The 0-17 population will decrease from 23.2% of the general population in 2018 to 22.9% in 2020. The statewide 0-17 population will decrease from 22.9% in 2018 of the general population to 22.7% in 2020.
- The 0-64 population will decrease from 82.1% of the general population in 2018 to 81.0% in 2020. The statewide 0-64 population will decrease from 83.1% in 2018 of the general population to 82.2% in 2020.
- The 65 and older population will increase from 17.9% of the general population in 2018 to 19.8% in 2020. The statewide 65 and older population will increase from 16.9% in 2018 of the general population to 17.8% in 2020.
- The latest 2018 percentage of the service area population enrolled in the TennCare program is approximately 23.0%, as compared to the statewide enrollment proportion of 21.2%.

Sources: Tennessee Department of Health, Division of Policy, Planning and Assessment, Office of Health Statistics, U.S. Census Bureau, Bureau of TennCare.

Service Area Historical Utilization

The trend of home health patients served by existing home health agencies licensed to serve one or more counties in the applicant's proposed additional 7-county service area is presented in the following table:

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 8

**Total Home Health Patients Trends by County of Residence in the Proposed
Additional 7 County Service Area**

County	2015 JAR Total residents served	2016 JAR Total residents served	2017 JAR Total residents served	'15-'17 % change
Bedford	1,136	1,250	1,541	+35.7%
Cannon	472	595	871	+84.5%
Coffee	1,501	1,874	2,648	+76.4%
Dekalb	635	747	959	+51.0%
Hickman	565	658	654	+15.8%
Marshall	800	843	777	-2.9%
Maury	2,488	2,539	2,498	+0.4%
TOTAL	7,597	8,506	9,948	+30.95%

Source: 2015-2017 Home Health Joint Annual Reports

- The chart above demonstrates there has been a 30.95% increase in home health patients served by home health agencies licensed to serve one or more service area counties in the proposed 7 county service area.
- There are 46 agencies that serve at least one of the proposed additional 7 service area counties.

Applicant Historical and Projected Utilization

	Current 9 County Service Area			Combined (Current 9 County + Proposed 7 County Service Area)		
	2015	2016	2017	2019	2020	17'-20' % Change
Patients	37	210	231	311	365	+58.8%
Visits	18	31,112	933	2,184	3,120	+234%
Hours	9,494	391,385	535,300	864,864	1,004,640	+88%

Source: CN1803-013

The chart above indicates the following:

- If approved, the applicant expects over 88% growth in patient hours between 2017 and 2020 in the combined 16-county service area.

	Pediatric Patients 0-17 Years (70%)	Adult Patients 18-64 Years (25%)	Geriatric Patients 65+ Years (5%)	Total Patients (100%)
Year One	12.6	4.5	0.9	18
Year Two	25.0	9.0	1.9	36

Source: CN1803-013

The preceding chart indicates the following:

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 9

- The applicant projects to serve 70% pediatric patients (ages 0-17), 25% of adult patients (ages 18-64), and 5% geriatric patients (ages 65+) in Year One and Year Two of the proposed project.

	2019 Projected	2020 Projected	'19-'20 % Change
Patients	18	36	+100%
Visits	936	1,872	+100%
Hours	34,944	69,888	+100%

Source: CN1803-013

The chart above indicates the following:

- The applicant projects a 100% increase in patients, visits, and hours from Year One (2019) to Year Two (2020) of the proposed project.

2017 Home Health Agency Service Market Share and Patient Origin

Licensed Agency	Agency Pediatric Patients From Service Area	Overall Agency 7 County Service Area Market Share (pediatric)	Total Patients Served from Proposed 7 County Service Area	Agency's Pediatric Patients as % of Agency Service Area Total
Quality First Home Care (Maury)	22	30.6%	385	5.71%
Elk Valley Health Services, Inc. (Davidson)	15	20.8%	30	50%
Maury Regional Home Services	10	13.9%	1,161	0.86%
Home Health Care of Middle TN	6	8.3%	200	3.0%
Careall Home Care Services (Warren)	5	6.9%	57	8.77%
Careall (Davidson)	5	6.9%	30	16.7%
Home Health Care of East TN, Inc. (Bradley)	4	5.5%	8	50%
Adoration Home Health, LLC (Tennova HH) (Davidson)	3	4.1%	281	1.07%
NHC Homecare (Maury)	1	1.4%	1,069	0.09%
Suncrest Home Health	1	1.4%	1,327	0.08%
Service Area Total	72	Overall		

Source: 2017 Joint Annual Report

The preceding chart reveals the following pediatric market share information:

- Even though there are 46 home health agencies that are licensed in the proposed 7 county service area, only three agencies had pediatric market share in excess of 10%: Quality First Home Care (30.6%), Elk Valley Health Services, Inc. (20.8%) and Maury Regional Home Services (13.9%). These

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 10

three agencies accounted for over 65.3% of the market share. Four other agencies had market share in the 5%-10% range: Home Health Care of Middle Tennessee, Inc. (8.3%), Careall Home Care Services (6.9%), Careall (6.9%), and Home Health Care of East Tennessee, Inc. (5.5%).

ECONOMIC FEASIBILITY

Project Cost

The estimated total project cost is \$90,000.00. Major cost(s) are:

- Legal, Administrative, Consultant Fees-75,000 or 83.3% of total cost
- CON Filing Fee- \$15,000.00 or 16.7% of total cost
- The Project Cost Chart is located on page 41 of the original application.

Financing

A March 12, 2018 letter from Robert Teaff, Regional Controller, Maxim Healthcare Services confirms that Maxim will provide approximately \$90,000 of capital expenditures needed to implement the project.

Maxim Healthcare Services, Inc. audited financial statements for the period ending December 31, 2016 indicates \$7,102,000 in cash, total current assets of \$241,138,000, total current liabilities of \$167,420,000 and a current ratio of 1.45:1.

Note to Agency members: Current ratio is a measure of liquidity and is the ratio of current assets to current liabilities which measures the ability of an entity to cover its current liabilities with its existing current assets. A ratio of 1:1 would be required to have the minimum amount of assets needed to cover current liabilities.

Net Operating Margin Ratio

- The applicant projects a net operating margin ratio for the total facility of 21.2% in Year 1 and 21.5% in Year 2.

Note to Agency Members: The net operating margin demonstrates how much revenue is left over after all the variable or operating costs have been paid.

Capitalization Ratio

- Maxim Healthcare Services Inc.'s capitalization ratio is 73.3%.

Note to Agency Members: The capitalization ratio measures the proportion of debt financing in a business's permanent financing mix.

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 11

Historical Data Chart

- According to the Historical Data Chart, Maxim (Nashville) experienced profitable net income for the three most recent years reported: \$1,135,191 for 2015; \$1,492,207 for 2016; and \$2,160,766 for 2017.

Projected Data Chart

The applicant submitted the following two Projected Data Charts.

1) Project Only-Proposed Additional 7 Counties

- The Projected Data Chart for the proposed project only reflects \$1,033,880 in total gross revenue on 936 patient visits/18 patients during the first year of operation and \$2,067,761 on 1,872 patient visits/36 patients in Year Two (approximately \$1,105 per visit or \$57,438 per patient).
- Free Cash Flow (Net Balance + Depreciation) is estimated at \$120,779 in Year One increasing to \$241,558 in Year Two.

2) Consolidated (16 County Service Area)

- The Projected Data Chart for the service area reflects \$23,619,435 in total gross revenue on 2,184 patient visits/311 patients during the first year of operation and \$27,436,718 on 3,120 patient visits/365 patients in Year Two (approximately \$8,794 per visit or \$75,169 per patient).
- Free Cash Flow (Net Balance + Depreciation) is estimated at \$2,345,583 in Year One increasing to \$2,781,171 in Year Two.

Charges

In Year One of the proposed project, the average charge per case is as follows:

- The proposed average net charge is \$29.40/hour, \$1,098/visit, and \$57,071/patient.
- On page 52R of the original application the applicant compares its charges for home health aide and skilled nursing to several other home health agency charges in the service area. The applicant's charges appear to be comparable to other agencies in the area.

Medicare/TennCare Payor Mix

- In Year 2019 the applicant projects \$909,414 gross TennCare revenues or 88% of total gross revenue. The applicant also projects \$124,066 in commercial gross revenue or 12% of total revenue.
- The applicant has contractual relationships with TennCare MCOs BlueCare, Amerigroup, UHC Community, and TennCare Select.

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 12

Note to Agency members: Even though Maxim primarily focuses on pediatric and adolescent TennCare patients, a pre-requisite of TennCare certification is Medicare certification. To have and maintain Medicare certification Maxim must serve at least one Medicare patient per year. A home health provider such as Maxim typically serves one Medicare patient with commercial secondary insurance. The home health provider bills Medicare for the patient but Medicare declines payment due to the service being covered by the secondary commercial insurer. The result is the home health provider bills Medicare one time during the year but projects no Medicare revenue since payment is declined.

Staffing

The applicant's proposed direct care staffing is as follows:

Position	Existing FTEs 2017	Year One FTEs 2019
Home Health Aide	11.0	13.0
Licensed Practical Nurse	160.0	172.0
Registered Nurse	2.0	5.0
Total	173	190

Source: CN1803-013

PROVIDE HEALTHCARE THAT MEETS APPROPRIATE QUALITY STANDARDS

Licensure

- The applicant is licensed by the Tennessee Department of Health.
- A letter dated May 30, 2017 from the Tennessee Department of Health states the applicant's plan of correction from a January 25, 2017 recertification survey was accepted. A copy of the survey is located in the attachments to the application.

Certification

- The applicant is certified by Medicare and Medicaid/TennCare.

Accreditation

- The applicant is currently accredited by the Accreditation Commission for Health Care effective date of March 5, 2017 valid until March 2, 2020.

Other Quality Standards

- In the first supplemental response the applicant commits to obtaining and/or maintaining the following:

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 13

- Staffing levels comparable to the staffing chart presented in the CON application
- Licenses in good standing
- TennCare/Medicare certifications
- Three years compliance with federal and state regulations
- Has not been decertified in last three years
- Self-assessment and external peer assessment processes
- Data reporting, quality improvement, and outcome/process monitoring systems

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTHCARE

Agreements

- The applicant has existing working relationships with primary care physicians, medical specialists, hospital discharge planners, and referral care coordinators in the service area.
- Existing TennCare contracts are in place and can be expanded to the additional counties.

Duplication/Competition

- Ten of the 46 agencies served 72 pediatric patients leaving approximately 83 patients unserved, those 10 served only 1-6 pediatric patients which amounted to only 0.2% to 1% of their statewide total patients. Therefore, this does not appear to duplicate existing services.

The applicant has submitted the required information on corporate documentation and title and deeds. Staff will have a copy of these documents available for member reference at the meeting. Copies are also available for review at the Health Services and Development Agency's office.

Should the Agency vote to approve this project, the CON would expire in two years.

CERTIFICATE OF NEED INFORMATION FOR THE APPLICANT

There are no other Letters of Intent, denied or pending applications, or outstanding Certificates of Need for this applicant.

Maxim Healthcare Services, Inc.

CN1803-013

June 27, 2018

PAGE 14

CERTIFICATE OF NEED INFORMATION FOR OTHER SERVICE AREA FACILITIES:

There are no denied or pending applications, or outstanding Certificates of Need for other health care organizations in the service area proposing this type of service.

Letters of Intent

Intrathecal Vascular Solutions, LLC dba Advanced Nursing Solutions, CN1804-019, has a pending Letter of Intent for the establishment of a new home health agency specializing in intrathecal and immunological infusion nursing services. The proposed service area is all 95 counties in Tennessee. The home care organization will be located 555 Marriott Drive, Suite 315-Office #347, Nashville (Davidson County), TN. The estimated project cost is **\$48,936.00**.

PLEASE REFER TO THE REPORT BY THE DEPARTMENT OF HEALTH, DIVISION OF HEALTH STATISTICS, FOR A DETAILED ANALYSIS OF THE STATUTORY CRITERIA OF NEED, ECONOMIC FEASIBILITY, HEALTH CARE THAT MEETS APPROPRIATE QUALITY STANDARDS, AND CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE IN THE AREA FOR THIS PROJECT. THAT REPORT IS ATTACHED TO THIS SUMMARY IMMEDIATELY FOLLOWING THE COLOR DIVIDER PAGE.

PME
6/11/2018

LETTER OF INTENT

LETTER OF INTENT -- HEALTH SERVICES & DEVELOPMENT AGENCY

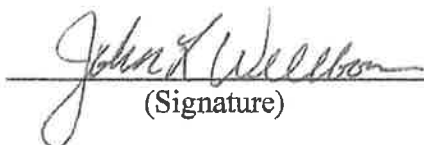
The Publication of Intent is to be published on or before March 9, 2018, for one day, in the following newspapers of general circulation in the counties noted:

- (a) The *Tennessean*, which is a newspaper of general circulation in Bedford, Cannon, Coffee, DeKalb, Hickman, and Maury Counties;
- (b) The *Marshall County Tribune*, which is a newspaper of general circulation in Marshall County; and
- (c) the *Southern Standard*, which is a newspaper of general circulation in Cannon and DeKalb Counties.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Maxim Healthcare Services (a home health agency), owned and managed by Maxim Healthcare Services, Inc. (a corporation), intends to file an application for a Certificate of Need to expand its authorized service area to include 7 Middle Tennessee counties, which are Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties. The current service consists of 9 counties: Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson Counties. The project cost is estimated at \$75,000. The agency's principal office for this service area is located at 115 East Park Drive, Suite 200, Brentwood, TN 37027.

The project does not contain major medical equipment or initiate or discontinue any other health service; and it will not affect any facility's licensed bed complements.

The anticipated date of filing the application is on or before March 14, 2018. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

 (Signature)	3-8-18 (Date)	jwdsg@comcast.net (E-mail Address)
--	------------------	---------------------------------------

**CERTIFICATE OF NEED APPLICATION
BY
MAXIM HEALTHCARE SERVICES
TO
EXPAND ITS SERVICE AREA
IN MIDDLE TENNESSEE**

Filed March 2018

CERTIFICATE OF NEED APPLICATION

SECTION A: APPLICANT PROFILE

1. Name of Facility, Agency, or Institution

Maxim Healthcare Services, Inc.			
<i>Name</i>			
115 East Park Drive, Suite 200		Williamson	
<i>Street or Route</i>		<i>County</i>	
Brentwood	TN	37027	
<i>City</i>	<i>State</i>	<i>Zip Code</i>	
www.maximhealthcare.com			
<i>Website Address</i>			

2. Contact Person Available for Responses to Questions

John Wellborn		Consultant	
<i>Name</i>		<i>Title</i>	
Development Support Group		jwdsg@comcast.net	
<i>Company Name</i>		<i>E-Mail Address</i>	
4219 Hillsboro Road, Suite 210	Nashville	TN	37215
<i>Street or Route</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>
CON Consultant	615-665-2022	615-665-2042	
<i>Association With Owner</i>	<i>Phone Number</i>	<i>Fax Number</i>	

NOTE: **Section A** is intended to give the applicant an opportunity to describe the project. **Section B** addresses how the project relates to the criteria for a Certificate of Need by addressing: Need, Economic Feasibility, Contribution to the Orderly Development of Health Care, and Quality Measures. Please answer all questions on 8.5" X 11" white paper, clearly typed and spaced, single-sided, in order and sequentially numbered. In answering, please type the question and the response. All questions must be answered. If an item does not apply, please indicate "N/A" (not applicable). Attach appropriate documentation as an Appendix at the end of the application and reference the applicable Item Number on the attachment, i.e., Attachment A.1, A.2, etc. The last page of the application should be a completed and signed notarized affidavit.

3. SECTION A: EXECUTIVE SUMMARY

A. Overview

Please provide an overview **not to exceed three pages in total**, explaining each numbered point.

(1) Description (Address the establishment of a health care institution, initiation of health services, bed complement changes, and/or how this project relates to any other outstanding but unimplemented certificates of need held by the applicant.)

This Project

- Maxim Healthcare Services, Inc. ("Maxim") operates an unrestricted, licensed home health agency with its principal office in Williamson County. That agency is licensed to serve 9 Middle Tennessee counties: Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson Counties.
- This application proposes to expand Maxim's authorized 9-county Middle Tennessee service area to include 7 additional Middle Tennessee counties: Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties. These adjoin the southeast, south, and southwest sides of the current Maxim service area. This project is the next step in a long-range plan for orderly expansion of pediatric and TennCare services throughout Tennessee. Prior steps have been consistently approved by the CON Board over the past decade, in granting Maxim approval for service areas in counties around Memphis, Nashville, Chattanooga, and Johnson City. This application will extend services to more rural residents of southern Middle Tennessee.
- Maxim's principal office in Williamson County will manage services in the proposed counties. The project will not require capital expenditures other than for the CON process. The expansion will not require additional agency staff. The number of patients served by Maxim is very small relative to many home health agencies; and this facilitates expansion of service areas at minimal additional capital or operating costs.
- If granted Certificate of Need approval during 2018, service to these counties will begin no later than January 1, 2019, making CY2019 Year One for the project.

Maxim's Scope of Services

- Maxim holds five Tennessee home health agency licenses, covering 47 counties surrounding the State's five largest urban areas--approximately half of the State.
- Maxim is known for its specialization in pediatric home health care (56% of its patients are ages 0-17), and for service to TennCare enrollees (Statewide, 84% of its patients and 92% of its gross revenues are TennCare). It is also a leader in quality of service. Maxim is partnered with Johns Hopkins University School of Nursing to provide nurses with an interactive training program to prepare them for superior emergency management of home mechanical ventilation.
- Home Health services are provided as either "visits" (reimbursed at a flat rate) or "hours" (reimbursed hourly). Maxim does not offer home health visits in competition with other home health agencies. Maxim specializes in providing private duty hourly care to medically complex patients, especially pediatric patients.

- Maxim's private duty patients typically are TennCare and commercially insured patients who need more complex daily care than can be delivered in only a 1- to 2-hour visit. Visits by other agencies usually involve brief, specific tasks such as wound care, physical therapy, and administration of medication. In contrast, "private duty" care (which includes TennCare and commercial patients) typically delivers 4 to 24 hours of attendance and care, by skilled nurses and aides.

- Private duty care includes medical procedures for ventilator care, complex IV therapy and palliative care, for patients with cardiovascular, respiratory, renal, blood, orthopedic, neurological, immunologic, and infectious disease disorders. Private duty patients are dependent on technology-based medical equipment requiring constant nursing supervision, visual assessment, and monitoring of both equipment and child. Private duty services include:

- Ventilator and tracheotomy care;
- Feeding tube care and management, including flushes, feedings, and medication;
- Diabetes management
- Seizure management, including administering medications and safety precautions;
- Ostomy care;
- Administering medications and/or therapies;
- Coordinating home medical equipment, pharmacy, and supplies;
- Educating, training, and supporting the family;
- Assisting with range-of-motion exercises;
- Performing personal care (bathing; grooming; etc.);
- Developmental activities (games, crafts, reading, etc.)

- Maxim is well regarded by children's hospitals and other referral sources in the five urban regions it already serves around Memphis, Nashville, Chattanooga, Knoxville, and Johnson City. Physicians and nurses at Monroe Carrell Children's Hospital at Vanderbilt, Saint Thomas Rutherford Hospital, Mercy Community Healthcare and Old Harding Road Pediatrics have provided letters of support for expanding Maxim's availability in more rural areas.

- Maxim does not compete with home health agencies for Medicare patients, who are the most important source of revenue for almost all other home health agencies. Maxim is focused on younger patients and pediatric patients, and on serving the TennCare population. To participate in TennCare--and Maxim is contracted with all the MCO's in Tennessee--an agency has to have a Medicare number. That number is available if an agency serves only one Medicare patient a year. Years ago, Maxim committed to the CON Agency to serve only the minimum number of Medicare patients necessary to hold a Medicare number and be eligible to serve TennCare patients. That commitment has been kept.

(2) Ownership Structure

- Maxim Healthcare Services, Inc. is based in Columbia, Maryland. It holds five Home Health Agency licenses in Tennessee, covering 47 counties in groupings centered on the State's five largest urban areas. Maxim is owned by the following entities and persons:

Oak Investment Trust	39.8860%
Oak Investment Trust II	39.3542%
Stephen Bisciotti	19.9430%
William Butz	0.8168%

(3) Service area

- The project's proposed service area is a group of 7 Middle Tennessee counties that wrap around the southwest, south, and southeast sides of the applicant's current 9-county service area that surrounds Nashville. The proposed additional counties are Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties. If approved, Maxim's total Middle Tennessee service area will expand to 16 counties.

(4) Existing similar service providers

- There are 46 full-service home health agencies licensed to serve one or more of these counties, at the present time. However, more than half of 46 agencies serve only 1-3 of the 7 counties in the project service area. Only 10 of the 46 agencies served any pediatric patients last year; and 18 of them served no TennCare patients at all. Maxim is not very similar to most of the area's agencies, in that Maxim focuses much more on pediatrics, much more on TennCare, and not at all on Medicare patients.

(5) -(6) Project cost and Funding

- The project cost of \$90,000 reflects only the potential costs of the CON process; the project does not require additional leased space, additional equipment, or any construction.
- All required funding will be provided by Maxim Healthcare Services, Inc. and it will be expended prior to the CON decision. Implementation will be funded from normal operating revenues.

(7) Financial feasibility, including when the proposal will realize a positive financial margin; and

- The applicant currently operates with a positive financial margin. The expansion of the agency will require no additional capital costs and is projected to continue to operate with a positive margin and positive cash flow.

(8) Staffing

- Clinical caregiver staff, but not central office staff, will be added to serve these counties. Addition of 17 FTE's is projected, all clinical caregivers.

B. Rationale for Approval

A certificate of need can only be granted when a project is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of adequate and effective health care in the service area. This section should provide rationale for each criterion using the data and information points provided in Section B of this application. Please summarize, in one page or less, each of the criteria.

(1) Need

Physicians and nurses of Vanderbilt Children's Hospital, Saint Thomas Rutherford Hospital, Mercy Community Healthcare, and Old Harding Road Pediatrics, among others, have written letters of support citing the need for Maxim to be approved for service to these rural counties.

Dr. David Hall is on the Vanderbilt School of Medicine faculty, and serves as Section Head for Monroe Carrell Jr. Children's Hospital at Vanderbilt's "Program for Children With Medically Complex Needs". He states that for children with complex care needs, it is *"particularly challenging to find needed home nursing in areas away from the largest population centers...many of our families ...are unable to fill needed nursing shifts due to a lack of available nurses. The supply of home providers clearly does not meet the need..."*

Dr. Hall's experience is echoed by that of Sarah Wilkerson, PNP of the same program, a Professor of Clinical Pediatrics at Vanderbilt. She notes that *"we often find it difficult to obtain pediatric private duty nursing services in (the project service area)."*

Primary Care and Pediatric physicians at Mercy Community Healthcare write that *"we currently have limited agencies available to serve our patient population"* in Maury and Marshall Counties, which they serve.

The reasons for their experience are suggested by Joint Annual Report data for the proposed service area. Briefly put, of the 46 home health agencies authorized to serve some or all of these 7 counties, relatively few serve pediatric or TennCare patients, and the few who offer both pediatric care and TennCare accessibility are serving very small numbers of pediatric patients.

For example, in 2017 only 10 (22%) of the 46 agencies served any pediatric patients, and their unduplicated pediatric cases ranged from only 1 to 22 patients, for a total of 72 patients. Only 3 agencies served more than 8 pediatric cases a year. In TennCare, 18 agencies took no TennCare patients, and only 11 agencies received 20% or more of their revenues from TennCare.

This contrasts with Maxim in 9 counties of Middle Tennessee. Last year, Maxim's Middle Tennessee agency cared for 160 pediatric patients (69.3% of its total patients), and received 92.4% of its gross revenues from service to TennCare. The volume of pediatric patients served by Maxim in this area does reflect a much larger population than in the 7 proposed counties--but the point here is the difference in pediatric experience of the Maxim nursing teams (160 patients a year) compared to teams of other agencies who cared for fewer than 2 patients a month. Giving patient families a choice of Maxim as a private duty provider will benefit patient care in the region.

The State Health Plan methodology for projecting home health needs calculated a surplus, not a need, for additional home health capacity (i.e. providers) in this area. However, it raises questions. In this area, more than twice as many home health patients were actually cared for in 2017, as were projected to need care in 2020 under the State Health Plan methodology. And because the area is aging by 2020, it should require even more home health care in the future than it did in 2017--not half as much. The applicant respectfully asks the HSDA Board to place more weight on the testimony of physicians and nurses who serve patients in these counties, than on the current State Plan projection.

(2) Economic Feasibility

The applicant's current operation has a positive cash flow and operating margin; and the expanded agency will continue to be positive in cash flow and margin. The project requires minimal funding, all of which will be made available and expended prior to the CON decision. Maxim Healthcare is a national company with sufficient resources to fully fund those expenses.

(3) Appropriate Quality Standards

The applicant is an existing agency that is licensed by the State of Tennessee and is in compliance with licensure requirements. The applicant is fully accredited by the Accreditation Commission for Health Care, a national accrediting organization identified in the State Health Plan as an appropriate accrediting body.

Maxim has a comprehensive quality improvement program utilizing continuous data review and performance evaluations of its caregiving staff. It has partnered with Johns Hopkins University School of Nursing, in developing a state-of-the-art Home Mechanical Ventilation interactive on-line training program for nurses who provide ventilator home care for pediatric and other patients.

(4) Orderly Development of adequate and effective health care

The project reflects an orderly approach to extending Maxim's complex and financially accessible services across a steadily growing number of Tennessee counties--in this instance, farther into rural counties in Middle Tennessee. Expansions have been proposed by Maxim Healthcare Services to the CON Board for more than a decade, and all of those applications have been approved.

Maxim has pledged to the CON agency in every application not to compete with existing agencies for their Medicare patients, and Maxim has kept that commitment. It has enabled Maxim to obtain a Medicare number and thereby to care for the State's TennCare patients, in particular to hundreds of children whose only financial resource is the TennCare program.

C. Consent Calendar Justification

If consent calendar is requested, please provide the rationale for an expedited review. A request for Consent Calendar must be in the form of a written communication to the Agency's Executive Director at the time the application is filed.

Consent calendar review is not requested.

SECTION A (CONTINUED): PROJECT DETAILS**4.A. Owner of the Facility, Agency, or Institution**

Maxim Health Services, Inc.	410-910-1500
<i>Name</i>	<i>Phone Number</i>
7227 Lee DeForest Drive	Howard (MD)
<i>Street or Route</i>	<i>County</i>
Columbia	MD
<i>City</i>	<i>State</i>
	21046
	<i>Zip Code</i>

B. Type of Ownership or Control (Check One)

A. Sole Proprietorship		F. Government (State of TN or Political Subdivision)	
B. Partnership		G. Joint Venture	
C. Limited Partnership		H. Limited Liability Company	
D. Corporation (For-Profit)	x	I. Other (Specify):	
E. Corporation (Not-for-Profit)			

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the TN Secretary of State's website <https://tnbear.tn.gov/Ecommerce/FilingSearch.aspx>.

See Attachment Section A-4A.

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

Please see Attachment Section A-4A. It provides the names and ownership interests of persons who own Maxim Healthcare Services, Inc., which directly holds all five Maxim home health agency licenses in Tennessee. No organization chart appears to be required in that the CON applicant has no parent company.

5A. Name of Management/Operating Entity (If Applicable) Not Applicable

Name

Street or Route

County

City

State

Zip Code

Website Address

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment methodology and schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract.

Not applicable.

6A. Legal Interest in the Site of the Institution (Check One)

A. Ownership		D. Option to Lease	
B. Option to Purchase		E. Other (Specify):	
C. Lease of 7 Years	x		

Check appropriate line above: For applicants or applicant's parent company/owner that currently own the building/land for the project location, attach a copy of the title/deed. For applicants or applicant's parent company/owner that currently lease the building/land for the project location, attach a copy of the fully executed lease agreement. For projects where the location of the project has not been secured, attach a fully executed document including Option to Purchase Agreement, Option to Lease Agreement, or other appropriate documentation. Option to Purchase Agreements must include anticipated purchase price. Lease/Option to Lease Agreements must include the actual/anticipated term of the agreement and actual/anticipated lease expense. The legal interests described herein must be valid on the date of the Agency's consideration of the certificate of need application.

See Attachment Section A-6A.

6B. Attach a copy of the site's plot plan, floor plan, and if applicable, public transportation route to and from the site, on an 8.5" X 11 sheet of white paper, single-sided. Do not submit blueprints. Simple line drawings should be submitted and need not be drawn to scale.

(1) Plot Plan must include:

- a. Size of site (in acres);
- b. Location of structure on the site;
- c. Location of the proposed construction/renovation; and
- d. Names of streets, roads, or highways that cross or border the site.

Not applicable.

(2) Attach a floor plan drawing for the facility, which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. On an 8.5" X 11" sheet of paper or as many as necessary to illustrate the floor plan.

Not applicable.

(3) Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

Not applicable.

7. Type of Institution (Check as appropriate—more than 1 may apply)

A. Hospital (Specify):		H. Nursing Home	
B. Ambulatory Surgical Treatment Center (ASTC) Multi-Specialty		I. Outpatient Diagnostic Center	
C. ASTC, Single Specialty		J. Rehabilitation Facility	
D. Home Health Agency	x	K. Residential Hospice	
E. Hospice		L. Non-Residential Substitution-Based Treatment Center for Opiate Addiction	
F. Mental Health Hospital		M. Other (Specify):	
G. Intellectual Disability Institutional Habilitation Facility ICFF/IID			

8. Purpose of Review (Check as appropriate—more than 1 may apply)

A. New Institution		F. Change in Bed Complement <i>Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation</i>	
B. Modifying an ASTC with limitation still required per CON		G. Satellite Emergency Department	
C. Addition of MRI Unit		H. Change of Location	
D. Pediatric MRI		I. Other (Specify): Expand certified county service area	X
E. Initiation of Health Care Service as defined in TCA Sec 68-11-1607(4) (Specify)			

9. Medicaid/TennCare, Medicare Participation

MCO Contracts (Check all that apply:			
<input checked="" type="checkbox"/> Amerigroup	<input checked="" type="checkbox"/> United Healthcare Community Plan	<input type="checkbox"/> BlueCare	
<input checked="" type="checkbox"/> TennCare Select			
Medicare Provider Number: 44-7580			
Medicaid Provider Number: 5441953			
Certification Type: Home Health Agency			
If a new facility, will certification be sought for Medicare or for Medicaid/TennCare?			
Medicare	Yes	No	N/A
Medicaid/TennCare	Yes	No	N/A

10. Bed Complement Data Not applicable.

A. Please indicate current and proposed distribution and certification of facility beds.)

	Beds Currently Licensed	Beds Staffed	Beds Proposed	*Beds Approved	**Beds Exempt	TOTAL Beds at Completion
1. Medical						
2. Surgical						
3. ICU/CCU						
4. Obstetrical						
5. NICU						
6. Pediatric						
7. Adult Psychiatric						
8. Geriatric Psychiatric						
9. Child/Adolescent Psychiatric						
10. Rehabilitation						
11. Adult Chemical Dependency						
12. Child/Adolescent Chemical Dependency						
13. Long-Term Care Hospital						
14. Swing Beds						
15. Nursing Home SNF (Medicare Only)						
16. Nursing Home NF (Medicaid Only)						
17. Nursing Home SNF/NF (dually certified MCare/Maid)						
18. Nursing Home- Licensed (Noncertified)						
19. ICF/IID						
20. Residential Hospice						
TOTAL						

** Beds approved but not yet in service*

*** Beds exempted under 10%/3 yrs provision*

B. Describe the reasons for change in bed allocations and describe the impact the bed changes will have on the applicant facility's existing services.

Not applicable.

C. Please identify all the applicant's outstanding Certificate of Need projects that have a licensed bed change component. If applicable, complete the chart below.

Not applicable.

<u>CON Number</u>	<u>CON Expiration Date</u>	<u>Total Licensed Beds Approved</u>
CN XXX-XXX	XX-XX-XX	XXX

11. Home Health Care Organizations – Home Health Agency, Hospice Agency (excluding Residential Hospice), identify the following by checking all that apply:

See Table on following page.

March 26, 2018

9:52 A.M.

	Existing Licensed County	Parent Office County	Proposed Licensed County		Existing Licensed County	Parent Office County	Proposed Licensed County
Anderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lauderdale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bedford	<input type="checkbox"/>	<input type="checkbox"/>	X	Lawrence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lewis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bledsoe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lincoln	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Blount	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Loudon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bradley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	McMinn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Campbell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	McNairy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cannon	<input type="checkbox"/>	<input type="checkbox"/>	X	Macon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carroll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Madison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Marion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cheatham	X	<input type="checkbox"/>	<input type="checkbox"/>	Marshall	<input type="checkbox"/>	<input type="checkbox"/>	X
Chester	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Maury	<input type="checkbox"/>	<input type="checkbox"/>	X
Claiborne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Meigs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monroe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cocke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Montgomery	X	<input type="checkbox"/>	<input type="checkbox"/>
Coffee	<input type="checkbox"/>	<input type="checkbox"/>	X	Moore	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Crockett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Morgan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cumberland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Obion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Davidson	X	<input type="checkbox"/>	<input type="checkbox"/>	Overton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decatur	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Perry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DeKalb	<input type="checkbox"/>	<input type="checkbox"/>	X	Pickett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dickson	X	<input type="checkbox"/>	<input type="checkbox"/>	Polk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dyer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Putnam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fayette	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Rhea	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fentress	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Roane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Franklin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Robertson	X	<input type="checkbox"/>	<input type="checkbox"/>
Gibson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Rutherford	X	<input type="checkbox"/>	<input type="checkbox"/>
Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grainger	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sequatchie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Greene	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sevier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grundy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Shelby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hamblen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hamilton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Stewart	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hancock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sullivan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hardeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sumner	X	<input type="checkbox"/>	<input type="checkbox"/>
Hardin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Tipton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hawkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Trousdale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haywood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unicoi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Union	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Van Buren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hickman	<input type="checkbox"/>	<input type="checkbox"/>	X	Warren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Houston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Washington	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Humphreys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Wayne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jackson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Weakley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jefferson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johnson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Williamson	X	X	<input type="checkbox"/>
Knox	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Wilson	X	<input type="checkbox"/>	<input type="checkbox"/>
Lake	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

13. MRI, PET, and/or LINEAR ACCELERATOR

Describe the acquisition of any Magnetic Resonance Imaging (MRI) scanner that is adding an MRI scanner in counties with population less than 250,000, or is initiating pediatric MRI in counties with population greater than 250,000, and/or describe the acquisition of any Positron Emission Tomography (PET) unit or Linear Accelerator unit if initiating the service by responding to the following:

A. Complete the Chart below for acquired equipment.

Not applicable.

LINEAR ACCELERATOR	
Mev:	Total Cost*: \$
Types: (indicate one)	By Purchase? _____
SRS	By Lease? _____
IMRT	
IGRT	Expected Useful Life (yrs): _____
Other :	New? _____
	Refurbished? _____
	If not new, how old (Yrs)? _____

MRI	
Tesla:	Total Cost*: \$
Magnet: (indicate one)	By Purchase? _____
Breast	By Lease? _____
Extremity?	
Open?	Expected Useful Life (yrs): _____
Short Bore?	New? _____
Other --	Refurbished? _____
	If not new, how old (Yrs)? _____

PET	
PET Only? _____	Total Cost*: \$
	By Purchase? _____
PET/CT? _____	By Lease? _____
PET/MRI? _____	Expected Useful Life (yrs): _____
	New? _____
	Refurbished? _____
	If not new, how old (Yrs)? _____

**As defined by Agency Rule 0720-9-.01(13)*

B. In the case of equipment purchase, include a quote and/or proposal from an equipment vendor. In the case of equipment lease, provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments along with the fair market value of the equipment.

Not applicable.

C. Compare the lease cost of the equipment to its fair market value. Note: Per Agency rule, the higher cost must be identified in the project cost chart.

Not applicable.

D. Schedule of Operations: Not applicable.

Location	Days of Operation (Sun-Sat)	Hours of Operation
Fixed Site (Applicant)		
Mobile Locations		
Applicant		
Name of other location		
Name of other location		
Name of other location		
Name of other location		
Name of other location		

E. Identify the clinical applications to be provided, that apply to the project.

Not applicable.

F. If the equipment has been approved by the FDA within the past five years, provide documentation of the same.

Not applicable.

SECTION B: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with T.C.A. § 68-11-1609(b), “no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of health care.” Further standards for guidance are provided in the State Health Plan developed pursuant to T.C.A. § 68-11-1625.

The following questions are listed according to the four criteria: (1) Need, (2) Economic Feasibility, (3) Applicable Quality Standards, and (4) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. *Please type each question and its response on an 8 1/2" x 11" white paper, single-sided.* All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer, unless specified otherwise. ***If a question does not apply to your project, indicate “Not Applicable (NA).”***

QUESTIONS

NEED

1. Provide a response to each criterion and standard in Certificate of Need categories in the State Health Plan that are applicable to the proposed project. Criteria and standards can be obtained from the THSDA or found on the agency’s website at <http://tjn.gov/hsda/article/hsda-criteria-and-standards>.

**STATE HEALTH PLAN
CERTIFICATE OF NEED STANDARDS AND CRITERIA
FOR
HOME HEALTH SERVICES**

Standards and Criteria--State Health Plan

- 1. Determination of Need: In a given county, 1.5 percent of the total population will be considered as the need estimate for home health services in that county. This 1.5 percent formula will be applied as a general guideline, as a means of comparison within the proposed Service Area.**
- 2. The need for home health services should be projected three years from the latest available year of final JAR data.**
- 3. The use rate of existing home health agencies in each county of the Service Area will be determined by examining the latest utilization rate as calculated from the JARs of existing home health agencies in the Service Area. Based on the number of patients served by home health agencies in the Service Area, an estimation will be made as to how many patients could be served in the future.**

Following this page is a table of the State Plan need methodology, projecting home health agency needs by service area county to 2020, which is the 3-year planning horizon specified above. Based on the 1.5% criterion and the most recent (2017) home health agency Joint Annual Reports, the Plan methodology indicates a need for treating 4,497 patients in 2020, with an agency capacity to treat 10,958 patients, which indicates a surplus capacity of 6,460 patients (i.e., no need for more home health capacity). However, this projected surplus appears to be unrealistic. The applicant respectfully submits that the HSDA's evaluation should not be constrained by the projection methodology.

First, the projection methodology is stated as a "general guideline" and it uses a simple 1.5% "need" planning factor for each county's population. A one-size-fits-all methodology is not always sensitive to the special needs of certain sectors of the service area population such as pediatric patients and TennCare patients who may have limited access to services they need.

Second, the State Plan projection methodology provides projections that seem irreconcilable with current experience. In 2017, the State projection table on the next page shows that 10,646 unduplicated home health agency patients were actually served in the area in 2016-2017, which is an evidence-based indicator of need. That actual utilization was more than twice the 4,497 future patient need projected by the State Plan formula for 2020. However, the service area population is both aging and increasing. This suggests that more patients will need to be served in future years, rather than half the number that are now being served.

Table Need-State Plan Standard 3: Projection of Home Health Agency Need (Surplus) in Project Service Area Using State Health Plan Methodology

Service Area	Agencies Licensed to Serve	Agencies Report Serving	Total Patients Served	Estimate 2017 Population	Use Rate	Projected 2020 Population	Projected Capacity	Projected Need (.015 x 2020 Pop.)	Need or (Surplus) for 2020
Bedford	20	16	1,563	50,301	0.0310729409	51,961	1,615	779	(835)
Cannon	17	14	873	14,562	0.0599505562	14,838	890	223	(667)
Coffee	22	18	2,773	56,423	0.0491466246	57,865	2,844	868	(1,976)
DeKalb	23	15	962	19,796	0.0485956759	20,206	982	303	(679)
Hickman	22	18	664	26,619	0.0249445885	27,363	683	410	(272)
Marshall	19	18	3,094	33,491	0.0923830283	34,648	3,201	520	(2,681)
Maury	22	717	717	89,512	0.0080100992	92,944	744	1,394	650
Total	145	816	10,646	290,704		299,825	10,958	4,497	(6,460)

Source: TDH Health Statistics 3-12-18.

*FYE 2017 is the most recent year of Joint Annual Report data for Home Health Agencies.

**Data is projected three years from the latest available year of final Home Health Joint Annual Report data.

***Totals are rounded numbers and may not add exactly to the whole numbers shown in the table.

Population Data Source: The University of Tennessee Center for Business and Economic Research (UTCBER) Projection Data Files, reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment.

Note: Population data will not match the UTCBER data exactly due to rounding.

4. County Need Standard: The applicant should demonstrate that there is a need for home health services in each county in the proposed Service Area by providing documentation (e.g., letters) where: a) health care providers had difficulty or were unable successfully to refer a patient to a home care organization and/or were dissatisfied with the quality of services provided by existing home care organizations based on Medicare's system Home Health Compare and/or similar data; b) potential patients or providers in the proposed Service Area attempted to find appropriate home health services but were not able to secure such services; c) providers supply an estimate of the potential number of patients that they might refer to the applicant.

It is not feasible for a CON applicant to obtain physician projections of referrals or to disclose their current referrals to specific providers. Maxim's high-quality services have become known through half of the State over the past decade of its operations. The applicant has submitted letters of support from area medical professionals and service organizations, who affirm the need for the project due to difficulties in obtaining pediatric services. Support letters have been received (and are in the Attachments) from the following persons and organizations:

David Hall, M.D.
Section Head, *Program for Children With Medically Complex Needs*
Monroe Carrell Jr. Children's Hospital at Vanderbilt

Alex Rothman, M.D.
Associate Professor of Pediatrics, Vanderbilt University Medical Center
University Pediatrics (practice of 7 providers)

Sarah Wilkerson, PNP
Professor of Clinical Pediatrics
Program for Children With Medically Complex Needs
Monroe Carrell Jr. Children's Hospital at Vanderbilt

Cathy Alber, RN
Team Lead / Case Management
Saint Thomas Rutherford Hospital

Paul Heil, M.D.
Old Harding Road Pediatrics (9-member group practice)

Christine Bett-Belleau, M.D.
Mercy Community Healthcare

Melissa Hixson, M.D.
Mercy Community Healthcare

Abigail Ryan, M.D., Chronic Care Pediatrician
Mercy Community Healthcare

Amy Vehec, M.D., Chronic Care Pediatrician
Mercy Community Healthcare

Rachel Thomas, RCP, RRT, RT Medical (Home Medical Equipment)

5. Current Service Area Utilization: The applicant should document by county: a) all existing providers of home health services within the proposed Service Area; and b) the number of patients served during the most recent 12-month period for which data are available. To characterize existing providers located within Tennessee, the applicant should use final data provided by the JARs maintained by the Tennessee Department of Health. In each county of the proposed Service Area, the applicant should identify home health agencies that have reported serving 5 or fewer patients for each of the last three years based on final and available JAR data. If an agency in the proposed Service Area who serves few or no patients is opposing the application, that opponent agency should provide evidence as to why it does not serve a larger number of patients.

The applicant submitted three years of JAR-reported patient data for every home health agency with authorization to provide home care to patients in any of the counties in the project service area. The applicant also provided the patients each agency served within this project's service area in the last JAR reporting year (2017 JAR). None of the identified agencies that were operational in 2015-2017 reported serving five or fewer patients in all three of those years, except for Vanderbilt HC/Option Care IV Services (State ID#19394). No activity has been reported by that agency; it is possible that it has merged into another agency.

6. Adequate Staffing: Using TDH Licensure data, the applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise, and retain the appropriate numbers of qualified personnel to provide the services described in the application and document that such personnel are available to work in the proposed Service Area. The applicant should state the percentage of qualified personnel directly employed or employed through a third party staffing agency.

Maxim's Middle Tennessee agency is an existing agency with highly qualified staff in place for its current operations. It has always been able to fill its nursing and aide positions in a timely way. None of the clinical staff serving patients from the Nashville office is employed through a third party staffing agency.

7. Community Linkage Plan: The applicant should provide a community linkage plan that demonstrates factors such as, but not limited to, referral arrangements with appropriate health care system providers/services (that comply with CMS patient choice protections) and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. A new provider may submit a proposed community linkage plan.

Maxim is an established agency with strong community linkages to medical professionals and facilities that discharge patients to home care in this region. Nashville area hospitals serve patients from throughout Maxim's current and proposed service area. Maxim representatives are in regular and frequent contact with them to be available to meet their patients' needs. Support letters provided in this application cite these relationships with Maxim and express a high degree of satisfaction with Maxim as a resource in this type of care.

8. TennCare Managed Care Organizations (MCOs) and Financial Viability: Given the time frame required to obtain Medicare certification, an applicant proposing to contract with the Bureau of TennCare's MCOs should provide evidence of financial viability during the time period necessary to receive such certification. Applicants should be aware that MCOs are under no obligation to contract with home care organizations, even if Medicare certification is obtained, and that Private Duty Services are not Medicare certifiable services. Applicants who believe there is a need to serve TennCare patients should contact the TennCare MCOs in the region of the proposed Service Area and inquire whether their panels are open for home health services, as advised in the notice posted on the HSDA website, to determine whether at any given point there is a need for a provider in a particular area of the state; letters from the TennCare MCOs should be provided to document such need. See Note 2 for additional information.

The applicant is already TennCare certified and contracted with the MCO's of Blue Cross Blue Shield, Amerigroup, and United Health Care Community Plan.

Applicants should also provide information on projected revenue sources, including non-TennCare revenue sources.

Gross revenues by payor source are projected in Table Need-6G.

9. Proposed Charges: The applicant's proposed charges should be reasonable in comparison with those of other similar agencies in the Service Area or in adjoining service areas. The applicant should list:

- a. The average charge per visit and/or episode of care by service category, if available in the JAR data.
- b. The average charge per patient based upon the projected number of visits and/or episodes of *care* and/or hours per patient, if available in the JAR data.

The table on the next page provides 2016 JAR data on charges per visit and charges per hour for similar area agencies that reported those.

Table Need-State Health Plan Standard 9A: Cost & Charge Comparisons With Service Area Agencies That Provide Similar Services								
Agency*	Cost Per Visit		Charge Per Visit		Cost Per Hour		Charge Per Hour	
	Skilled Nursing	HH Aide	Skilled Nursing	HH Aide	Skilled Nursing	HH Aide	Skilled Nursing	HH Aide
1	NR	NR	\$79	\$40	No JAR data is reported for this.		\$35	\$22
2	NR	NR	\$101	\$46			\$80	\$35
3	NR	NR	\$150	\$75			\$40	\$30
4	NR	NR	NR	NR			\$40	\$23
							NR	NR
Maxim State Average 2017								
2018 Medicare Reimb'mt								
Maxim Proposed Agency 2019								

Source: 2017 Joint Annual Reports; Maxim management.

*Key to Agencies:

1. Elk Valley Health Services
2. CareAll
3. Quality First
4. Maury Regional

Table Need-State Health Plan Standard 9B: Cost Per Visit and Per Patient		
	Year One--2019	Year Two--2020
Patients	18	36
Total Visits	936	1,870
Skilled Nursing Visits (100%)	936	1870
Cost per Skilled Visit	\$57.72	\$57.72
Total Cost, Skilled Visits	\$54,021	\$108,043
Home Health Aide Visits (0%)	n/a	n/a
Cost per HH Aide Visit	n/a	n/a
Total Cost, Aide Visits	n/a	n/a
Total Cost, Skilled and Aide Visits	\$701,576	\$1,403,153
Total Cost Per Patient	\$38,976	\$38,976

Source: Maxim management.

10. Access: In concert with the factors set forth in HSDA Rule 0720-11-.01(1) (which lists those factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area for groups with special medical needs such as, but not limited to, medically fragile children, newborns and their mothers, and HIV/AIDS patients. *Pediatrics is a special medical needs population, and therefore any provider applying to provide these services should demonstrate documentation of adequately trained staff specific to this population's needs with a plan to provide ongoing best practice education.* For purposes of this Standard, an applicant should document need using population, service, special needs, and/or disease incidence rates. If granted, the Certificate of Need should be restricted on condition, and thus in its licensure, to serving the special group or groups identified in the application. The restricting language should be as follows: **CONDITION:** Home health agency services are limited to (identified specialty service group); the expansion of service beyond (identified specialty service group) will require the filing of a new Certificate of Need application. Please see Note 3 regarding federal law prohibitions on discrimination in the provision of health care services.

Maxim screens all of its caregivers to evaluate their experience and competencies in delivering home health services and particularly pediatric services. Nurses are given continuing medical education through both online training modules (Pediatric Care Modules) and personal mentoring and professional development by experienced clinical supervisors. Nurses coming to Maxim who have focused on adult home care go through a special training program ("Adults to Peds") with more intensive training and oversight. Mentoring nurses accompany newer personnel to patients' homes to provide hands-on supervision and instruction. Maxim's clinical nurse supervisors evaluate all staff and validate their skills and competencies.

A notable new initiative at Maxim is its partnership with Johns Hopkins University School of Nursing, to provide new training resources for nurses in Home Mechanical Ventilation (HMV), a complex type of home care where nursing competence is especially important to patient safety. This is critical for any patient but especially in pediatric home care. Maxim and Johns Hopkins are providing an interactive on-line training program to ensure that nurses are optimally prepared for emergency management of home ventilator emergencies. Please see the following two pages for articles describing the value of this partnership program.

Home Mechanical Ventilation Training



Home Mechanical Ventilation (HMV) care is complex and requires a highly competent nurse to handle emergencies. When a mechanical ventilation emergency occurs in the home, the nurse must respond immediately and intervene to protect the patient. Innovative training can make the difference between safety and harm. Created through a partnership between Maxim Healthcare Services and Johns Hopkins University School of Nursing, an interactive training program prepares nurses for emergency management of home mechanical ventilation.

STRUCTURE

Instruction is self-paced so that it can be taken at the caregiver's convenience. This course is based on adult learning theory with simulation and scenario-based case studies. Training begins with basic assessment of the patient and guides the learner from simple to complex issues through real-time scenarios with a focus on managing emergencies. HMV knowledge helps prepare nurses for Maxim's thorough competency evaluation, required for employment and retention.

TOPICS COVERED

- Performing comprehensive patient safety checks
- Performing comprehensive respiratory assessments
- Low pressure alarm interventions
- High pressure alarm interventions
- Emergency management interventions
- Dealing with a distraught patient
- Adult and pediatric patients

About Maxim Healthcare Services

We are a leading provider of home healthcare, healthcare staffing, behavioral care, personal caregiving, and population health and wellness services across the United States. As an established community partner, we have been making a difference in the lives of our employees, caregivers and patients for 30 years. Our commitment to customer service, improving patient care, and staffing experienced healthcare professionals has made us an integral resource in the healthcare services industry.

The Maxim Advantage

- Dedication to customer service
- Commitment to clinical excellence
- 24-hour administrative and clinical supervisor services, including holidays and weekends
- Trained, screened, and experienced healthcare professionals
- Matching our patients with a caregiver best suited to his or her care needs
- Regular assessments by clinical supervisors to ensure patient satisfaction
- Flexible payment options, including the acceptance of most insurances
- Accreditation Commission for Health Care (ACHC) continued compliance for homecare policy and procedures
- Free in-home consultation

info.maximhealthcare.com/nurses

ISSUE 42 • THIRD QUARTER 2017

MAXIM'S TEAM MEMBER NEWSLETTER

CARE



Maxim's Unique Partnership with Johns Hopkins School of Nursing

Maxim and Johns Hopkins University School of Nursing (JHUSON) have entered into a partnership to develop an online training program for emergency management of a Home Mechanical Ventilation (HMV) patient. This self-paced, evidence-based training program has been created with clinical expertise from Maxim and Hopkins, and will be part of Maxim's tracheostomy and ventilator competency program.

This development marks the first time that Maxim, one of the nation's largest providers of healthcare services and staffing, has entered into this type of partnership directly with one of the top nursing schools. When creating the curriculum, Maxim leveraged the JHUSON instructional design team, using adult learning theory with simulation and scenario-based case studies that start with basic assessment of the patient and progress the learner from simple to complex scenarios with a focus on emergency management.

"We were delighted to partner with Maxim in dealing with the complex issue of caring for mechanically ventilated patients in the community. Together I think that we have created an innovative and dynamic solution to improve the healthcare outcomes of patients being ventilated in the community," said Patricia M. Davidson, PhD, MEd, RN, FAAN, Dean of Johns Hopkins University School of Nursing. "Johns Hopkins University School of Nursing and Maxim Healthcare share the same passion and desire to make sure our patients receive optimal care and achieve the best outcomes."

The training, which launches this month, will be a component of the comprehensive competency program for the nurses who manage patients that have a tracheostomy and or ventilator. "I'm so excited about this training module and the confidence that it's going to build with our nurses who are taking care of the trach/vent patient in the home and managing these emergency situations," said Cheryl Nelson, MS, RN, Senior Vice President of Clinical Operations for Maxim Healthcare Services, "and I'm equally thrilled about our partnership with John Hopkins School of Nursing."

Like  (4) | Comment (0) | Read By  (88)

Comment

In this issue

- ▶ | Rob Gehman, Sr. Vice President of Continuous Improvement
- ▶ | Making Strides with Maxim's Caregiver App
- ▶ | Maxim's Unique Partnership with Johns Hopkins School of Nursing
- ▶ | Your Voices Have Been Heard!
- ▶ | Seattle Team Members and Support Staff Leading by Example
- ▶ | Highlights from the Caregiver of the Year Ceremony
- ▶ | DJ's Dish Finale
- ▶ | Roxanne Barrington from the Roseville Office Goes Above and Beyond
- ▶ | Congrats on your Promotion!
- ▶ | Celebrating Team Member Anniversaries
- ▶ |

11. Quality Control and Monitoring: The applicant should identify and document its existing or proposed plan for data reporting (including data on patient re-admission to hospitals), quality improvement, and an outcome and process monitoring system (including continuum of care and transitions of care from acute care facilities). If applicable, the applicant should provide documentation that it is, or that it intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., the Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for home health services from CMS.

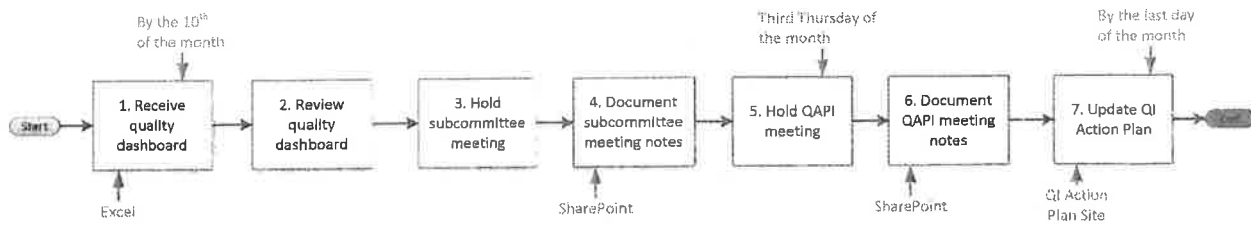
The applicant has submitted documentation of its accreditation by the Accreditation Commission for HealthCare (ACHC). Data reporting, quality improvement, and outcome and process monitoring systems are requirements of accreditation. The following page is a flow-chart of Maxim's monthly Quality Data Review Process.

ACHC is a 25-year-old nonprofit organization, founded to bring expertise to the accreditation of home health care organizations. CMS (Center for Medicare and Medicaid Services) has approved ACHC for "Deeming Authority" for Home Health (and other types of) companies.

12. Data Requirements: Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

The applicant so agrees.

Monthly Quality Data Review Process



Step	Performed by	Description	Notes/Reference Documents
1. Receive quality dashboard.	DOCS/DCO/CM	The Business Intelligence Team will provide the previous month's quality data to the office by the 10 th of the month.	5 data elements: <ul style="list-style-type: none"> • Infections • Unscheduled Hospitalizations • Incidents • Missed Opportunities • Retention
2. Review quality dashboard	Subcommittee members.	Review the quality data prior to the subcommittee meeting.	
3. Hold subcommittee meeting	Subcommittee members.	Review quality data trends. Meeting should be held prior to the QAPI meeting.	3 mandatory subcommittees: <ul style="list-style-type: none"> • Clinical • Missed Opportunities • Retention Additional subcommittees as needed.
4. Document subcommittee meeting notes.	Subcommittee meeting note taker.	Utilize the meeting note template.	
5. Hold QAPI meeting.	Office staff.	The entire office should attend the monthly QAPI meeting.	
6. Document QAPI meeting notes.	QAPI meeting note taker.	Utilize the meeting note template.	
7. Update QI Action Plan.	Subcommittee team member.	The QI Action Plan site should be updated by the end of the month.	<ul style="list-style-type: none"> • Enter progress against existing action items

(END OF SERVICE-SPECIFIC STATE HEALTH PLAN CRITERIA)

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any, and how it relates to previously approved projects of the applicant.

This application to expand Maxim's authorized Middle Tennessee service area is the sixth step in a decade-long process for orderly expansion of services throughout Tennessee. Prior steps have been consistently approved by the CON Board, for CON-approved new service areas in Memphis, Nashville, Chattanooga, and Johnson City.

This application will extend services to more rural residents of southern Middle Tennessee. It will make Maxim's highly trained teams accessible to more families in Middle Tennessee, not just those who reside in areas close to Nashville.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map for the Tennessee portion of the service area, using the map on the following page, clearly marked to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the bordering states, if applicable.

The project service area consists of 7 additional Middle Tennessee counties: Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties. These counties are to the east, south, and west of Williamson County, where Maxim's principal office is located. They form a group that will expand Maxim's current service area southward. They are accessible for purposes of scheduling and providing home care. In fact, many are closer to Maxim's principal office in Williamson County than are counties in Maxim's current service area--which extends north of Nashville to include Montgomery, Roberson, and Sumner Counties on the Kentucky border.

It should be emphasized that nurses and aides who will deliver services in the home will live throughout the service area. The agency office itself, in Williamson County, will be within approximately an hour's drive or less from the major communities in six of the seven proposed service area counties. See Table Need-3 on the following page for distances and drive times.

Table Need-3-A: Mileage and Drive Times Between Maxim Principal Office and Communities in the Proposed Additional Service Area Counties			
TN County	Community	Distance	Drive Time
Bedford	Shelbyville	53.1 miles	63 minutes
Cannon	Woodbury	51.1 miles	59 minutes
Coffee	Manchester	60.3 miles	61 minutes
DeKalb	Smithville	85.1 miles	101 minutes
Hickman	Centerville	63.3 miles	67 minutes
Marshall	Lewisburg	46.4 miles	48 minutes
Maury	Columbia	36.8 miles	39 minutes

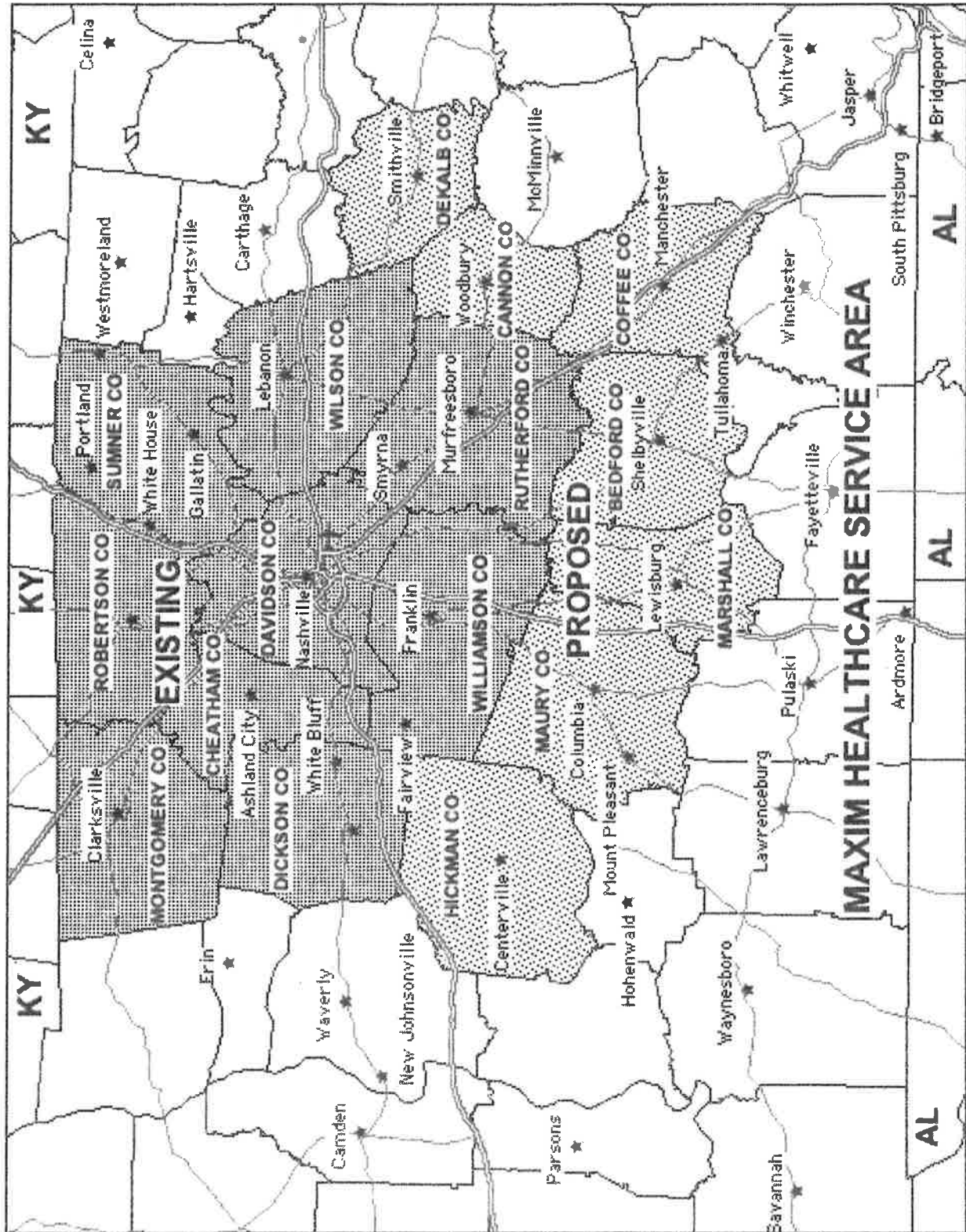
Source: Google Maps, March 2017

The following page is a map showing the applicant's current and proposed service area counties. A map showing the service area's location in the State of Tennessee is provided in Attachment Section B-Need-3.

The table below projects patient origin information for the project based on the relative percentages of the five counties' populations in CY2020. This is a very small number of patients to be distributed over seven counties; patient projections are rounded and approximate.

Table Need-3-B: Projected Patient Origin from Proposed Additional Counties			
County	Percent of Total	Year One Patients	Year Two Patients
Bedford	17%	3	6
Cannon	5%	1	2
Coffee	19%	3	7
DeKalb	7%	1	2
Hickman	9%	2	3
Marshall	12%	2	4
Maury	31%	6	12
Total All Counties	100.0%	18	36

Source: TDH Population Projections.



3. (Continued) Please complete the following tables, if applicable:

The following patients served are from Schedule E of the 2017 HHA Joint Annual Reports.

Service Area Counties	Historical Patients by County Residents 2017 JAR	% of Total Patients
Bedford	1,541	15.5%
Cannon	871	8.8%
Coffee	2,648	26.7%
DeKalb	959	9.7%
Hickman	654	6.2%
Marshall	777	7.8%
Maury	2,498	25.2%
Totals	9,948	100.0%

The following data are from the Department of Health's projection of home health agency need (surplus) based on FYE 2017 data in the Joint Annual Reports. However, Marshall and Maury's projections are reversed by the applicant on the belief that the TDH Projection of Home Health Agency needs reversed these two counties' historical data. Correcting that by reversing the TDH numbers gives a projection that is very consistent with the historical patient numbers in the table above.

Service Area Counties	Projected Patients by County Residents 2020	% of Total Patients
Bedford	1,615	15.6%
Cannon	890	8.7%
Coffee	2,844	26.6%
DeKalb	982	9.6%
Hickman	683	6.2%
Marshall	744	7.9%
Maury	3,201	25.4%
Totals	10,958*	100.0%

**Numbers are rounded and when expressed as whole numbers they do not add exactly to 10,958.*

4A(1). Describe the demographics of the population to be served by the proposal.

The service area population is 293,790 persons of all ages, increasing to 299,825 by CY2020--a 2.1% increase. This is comparable to the 2.2% increase projected for the State of Tennessee during this period. The target population of this project does not include persons 65+ years of age. It is projected to increase only 0.7% during this same time period.

The median age of the service area counties is 39.9 years, similar to that of the State. The area's median income is below that of the State: \$43,230 compared to \$46,574 Statewide. The service area poverty rate of 16.6% is slightly less than the Statewide poverty rate of 17.2%. TennCare enrollment in the area, however, is 23% compared to a lower 21.2% Statewide enrollment percentage.

A(2). Using current and projected population data from the Department of Health, the most recent enrollee data from the Bureau of TennCare, and demographic information from the U.S. Census Bureau, complete the following table and include data for each county in your proposed service area.

Projected Population Data:

<http://www.tn.gov/health/article/statistics-population>

TennCare Enrollment Data:

<http://www.tn.gov/tenncare/topic/enrollment-data>

Census Bureau Fact Finder:

<http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

Please see the table on the following page. Because the State Health Plan home health need projection methodology projects three years into the future (2020) from the most recent (2017) Home Health JAR year (2017), this table's projection year is 2020 to conform to the home health guideline.

Table Need-4A(2): Maxim Healthcare Services (Middle Tennessee) Demographic Characteristics of Proposed Additions to Current Service Area 2018-2022													
Primary Service Area Counties	Department of Health / Health Statistics							Bureau of the Census				TennCare	
	Current Total Population 2018	Projected Total Population 2020	Total Population % Change 2017 - 2020	Current Target* Population Age 0-64 2018	Projected Target* Population Age 0-64 2020	Projected Target* Population % Change 2018 - 2020	Projected Target* Population As % of Projected Total Population 2020	Median Age	Median Household Income	Persons Below Poverty Level	Persons Below Poverty Level as % of Total Population	Current TennCare Enrollees	TennCare Enrollees as % of Total County or Zip Code Population
Bedford	50,860	51,961	2.2%	42,715	43,268	1.3%	83.3%	36.9	\$43,819	8,290	16.3%	12,983	25.5%
Cannon	14,658	14,838	1.2%	11,684	11,651	-0.3%	78.5%	42.1	\$43,654	2,375	16.2%	3,254	22.2%
Coffee	56,909	57,865	1.7%	46,068	46,292	0.5%	80.0%	40.1	\$45,456	9,049	15.9%	14,002	24.6%
DeKalb	19,936	20,206	1.4%	15,840	15,820	-0.1%	78.3%	40.9	\$37,640	4,426	22.2%	5,297	26.6%
Hickman	26,876	27,363	1.8%	22,052	22,141	0.4%	80.9%	40.4	\$37,546	6,155	22.9%	6,115	22.8%
Marshall	33,885	34,648	2.3%	27,909	28,082	0.6%	81.0%	39.6	\$44,900	5,117	15.1%	7,082	20.9%
Mauzy	90,666	92,944	2.5%	74,906	75,585	0.9%	81.3%	39.1	\$49,597	13,328	14.7%	18,918	20.9%
Service Area Total	293,790	299,825	2.1%	241,174	242,839	0.7%	81.0%	39.9	\$43,230	48,738	16.6%	67,651	23.0%
State of TN Total	6,960,524	7,112,424	2.2%	5,784,586	5,844,462	1.0%	82.2%	39	\$46,574	89,186	17.2%	1,476,375	21.2%

Sources: TDOH Population Projections; U.S. Census QuickFacts; TennCare Bureau.
Service area data is either total, or average, as appropriate.

B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

Maxim's Middle Tennessee agency, like the other four Maxim agencies in Tennessee, has an outstanding record of accessibility to low-income TennCare patients. Statewide, 93.9% of its payor mix is TennCare. The Nashville agency's payor mix is 92.4%. Maxim serves TennCare pediatric patients requiring complex care from 4 to 24 hours a day, which few agencies in this area will serve. Maxim does not discriminate in patient selection based on race, ethnicity, gender, or insurance source. However, Maxim's business model does not include offering service to Medicare-age patients, who have many existing home health agencies available within this service area.

5. Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must provide the following data: admissions or discharges, patient days, average length of stay, and occupancy. Other projects should use the appropriate measures, e.g., cases, procedures, visits, admissions, etc. This does not apply to projects that are solely relocating a service.

One or more of these 7 counties are served by 46 home health agencies that offer comprehensive home care services. This section provides their utilization from several perspectives--service volumes, pediatric services, TennCare participation, and how much each agency depends on patients from these 7 counties (most agencies have much larger service areas).

Four authorized agencies are excluded from the data, due to limited scope of service (high risk pregnant patients only; infusion pump implantation only). They are Optum Women's and Children's Health (two agencies), Implanted Pump Management, and Pentec Health.

The utilization of the 46 relevant agencies is submitted in tables at the end of this response. The content of each table is as follows. The data are from 2017 Joint Annual Reports unless noted otherwise.

Table Need-5A--Agencies licensed in any of the 7 project service area counties

Table Need-5B --The service area counties authorized for each agency

Table Need-5C --Agency sizes, patients from each service area county; and dependence on total patients and pediatric patients received from the project service area

Table Need-5D --Agencies ranked by degree of dependence on service area patients

Table Need-5E --Agencies ranked by degree of dependence on service area pediatric patients

Table Need-5F--Agencies' pediatric patients with comparisons to Maxim

Table Need-5G--Table 5F data ranked by agencies' percent of pediatric patients

Table Need-5H --Agencies' TennCare revenues as percent of total revenues (Statewide)

Table Need-5I--Table 5H data ranked by agencies' percentage of TennCare gross revenues

Table Need-5J--Statewide utilization of agencies in 2015-2017: Patients, Visits, Hours

Table Need-5K--Agencies' hours and visits by discipline, with comparisons to Maxim

Table Need-5L--Agencies' 2017 TennCare patients, visits, hours, and gross revenues, with comparisons to Maxim

Table Need-5A: Home Health Agencies Licensed to Serve Within the Project Service Area (46)
(Counties of Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury)

Alphabetical, By Agency Name				
Health Statistics ID	TDH License No.	Agency County	Agency	Type
19714	622	Davidson	Adoration Home Health, LLC	Home
26054	82	Franklin	Amedisys Home Care	Home
75054	207	Rutherford	Amedisys Home Health	Home
19684	254	Davidson	Amedisys Home Health (10th Avenue S)	Home
19024	38	Davidson	Amedisys Home Health (Glen Echo Rd)	Home
75064	5	Rutherford	Amedisys Home Health Care	Home
19664	68	Davidson	Amedisys Home Health Services	Home
95084	600	Wilson	American National Home Health	Home
19504	289	Davidson	Brookdale Home Health Nashville	Home
19724	295	Davidson	Careall	Home
89074	265	Warren	Careall Home Care Services	Home
19734	624	Davidson	Coram CVS Specialty Infusion Services	Home
14024	135	Clay	Cumberland River Homecare	Home
52024	161	Lincoln	Deaconess Homecare	Home
95034	282	Wilson	Deaconess Homecare I	Home
19494	42	Davidson	Elk Valley Health Services, Inc.	Home
26024	83	Franklin	Encompass Home Health of Tennessee	Home
89084	619	Warren	Friendship Home Health, Inc.	Home
19614	323	Davidson	Friendship Home Healthcare, Inc	Home
94074	607	Williamson	Guardian Home Care of Nashville, LLC	Home
40075	122	Henry	Henry County Medical Center Home Health	Home
02024	4	Bedford	Heritage Home Health	Home
71014	197	Putnam	Highland Rim Home Health Agency	Home
83114	258	Sumner	Highpoint Homecare	Home
06063	14	Bradley	Home Health Care of East Tennessee, Inc	Home
19584	46	Davidson	Home Health Care of Middle Tennessee	Home
19544	56	Davidson	Homecare Solutions, Inc.	Home
19364	34	Davidson	Intrepid USA Healthcare Services	Home
71084	198	Putnam	Intrepid USA Healthcare Services	Home
89064	263	Warren	Intrepid USA Healthcare Services	Home
19084	49	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	Home
95074	41	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	Home
52044	160	Lincoln	Lincoln Medical Home Health & Hospice	Home & Hospice
60044	180	Maury	Maury Regional Home Services	Home
60024	181	Maury	NHC Homecare	Home
75024	208	Rutherford	NHC Homecare	Home
60084	90	Maury	Quality First Home Care	Home
41034	125	Hickman	St. Thomas Home Health	Home
16034	29	Coffee	Suncrest Home Health	Home
21024	60	DeKalb	Suncrest Home Health	Home
63044	293	Montgomery	Suncrest Home Health of Nashville, Inc.	Home
20045	221	Decatur	Tennessee Quality Homecare-Southwest	Home
19394	43	Davidson	Vanderbilt Community & Home Services	Home
19394	604	Davidson	Vanderbilt HC/Option Care IV Services	Home
20055	63	Decatur	Volunteer Homecare of West Tennessee	Home
19694	259	Davidson	Willowbrook Home Health Care Agency	Home
Number of Unduplicated Home Health Agencies				46

Alphabetical, By Agency Home County				
Health Statistics ID	TDH License No.	Agency County	Agency	Type
02024	4	Bedford	Heritage Home Health	Home
06063	14	Bradley	Home Health Care of East Tennessee, Inc	Home
14024	135	Clay	Cumberland River Homecare	Home
16034	29	Coffee	Suncrest Home Health	Home
19714	622	Davidson	Adoration Home Health, LLC	Home
19684	254	Davidson	Amedisys Home Health (10th Avenue S)	Home
19024	38	Davidson	Amedisys Home Health (Glen Echo Rd)	Home
19664	68	Davidson	Amedisys Home Health Services	Home
19504	289	Davidson	Brookdale Home Health Nashville	Home
19724	295	Davidson	Careall	Home
19734	624	Davidson	Coram CVS Specialty Infusion Services	Home
19494	42	Davidson	Elk Valley Health Services, Inc.	Home
19614	323	Davidson	Friendship Home Healthcare, Inc	Home
19584	46	Davidson	Home Health Care of Middle Tennessee	Home
19544	56	Davidson	Homecare Solutions, Inc.	Home
19364	34	Davidson	Intrepid USA Healthcare Services	Home
19084	49	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	Home
19394	43	Davidson	Vanderbilt Community & Home Services	Home
19394	604	Davidson	Vanderbilt HC/Option Care IV Services	Home
19694	259	Davidson	Willowbrook Home Health Care Agency	Home

Table Need-5A: Home Health Agencies Licensed to Serve Within the Project Service Area (46) (Counties of Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury)				
20045	221	Decatur	Tennessee Quality Homecare-Southwest	Home
20055	63	Decatur	Volunteer Homecare of West Tennessee	Home
21024	60	DeKalb	Suncrest Home Health	Home
26054	82	Franklin	Amedisys Home Care	Home
26024	83	Franklin	Encompass Home Health of Tennessee	Home
40075	122	Henry	Henry County Medical Center Home Health	Home
41034	125	Hickman	St. Thomas Home Health	Home
52024	161	Lincoln	Deaconess Homecare	Home
52044	160	Lincoln	Lincoln Medical Home Health & Hospice	Home & Hospice
60044	180	Maury	Maury Regional Home Services	Home
60024	181	Maury	NHC Homecare	Home
60084	90	Maury	Quality First Home Care	Home
63044	293	Montgomery	Suncrest Home Health of Nashville, Inc.	Home
71014	197	Putnam	Highland Rim Home Health Agency	Home
71084	198	Putnam	Intrepid USA Healthcare Services	Home
75054	207	Rutherford	Amedisys Home Health	Home
75064	5	Rutherford	Amedisys Home Health Care	Home
75024	208	Rutherford	NHC Homecare	Home
83114	258	Sumner	Highpoint Homecare	Home
89074	265	Warren	Careall Home Care Services	Home
89084	619	Warren	Friendship Home Health, Inc.	Home
89064	263	Warren	Intrepid USA Healthcare Services	Home
94074	607	Williamson	Guardian Home Care of Nashville, LLC	Home
95084	600	Wilson	American National Home Health	Home
95034	282	Wilson	Deaconess Homecare I	Home
95074	41	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	Home
			Number of Unduplicated Home Health Agencies	46

Table Need-5B: 46 Home Health Agencies Authorized to Serve In Project Primary Service Area (PSA) in CY2018												
State ID	Agency County	Authorized Home Health Agency	Bedford	Cannon	Coffee	DeKalb	Hickman	Marshall	Maury	Number of PSA Counties Authorized		
02024	Bedford	Heritage Home Health	X		X			X				7
06063	Bradley	Home Health Care of East Tennessee, Inc			X							7
14024	Clay	Cumberland River Homecare				X						7
16034	Coffee	Suncrest Home Health		X	X	X		X				7
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	X	X	X	X		X	X			7
19674	Davidson	Amedisys Home Health (10th Avenue S)			X	X		X	X			7
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	X	X		X		X	X			7
19684	Davidson	Amedisys Home Health Services										7
19504	Davidson	Brookdale Home Health Nashville		X		X			X			7
19724	Davidson	Careall	X	X		X			X			6
19734	Davidson	Coram CVS Specialty Infusion Services	X	X	X	X		X	X			6
19494	Davidson	Elk Valley Health Services, Inc.	X	X	X	X		X	X			5
19614	Davidson	Friendship Home Healthcare, Inc	X			X		X	X			5
19544	Davidson	Homecare Solutions, Inc.	X	X	X	X		X	X			5
19584	Davidson	Home Health Care of Middle Tennessee		X		X			X			5
19364	Davidson	Intrepid USA Healthcare Services	X	X	X	X		X	X			5
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)							X			5
19394	Davidson	Vanderbilt HC/Option Care IV Services	X	X	X	X		X	X			5
19694	Davidson	Willowbrook Home Health Care Agency	X	X	X	X		X	X			4
20045	Decatur	Tennessee Quality Homecare-Southwest							X			4
20055	Decatur	Volunteer Homecare of West Tennessee					X					4
21024	DeKalb	Suncrest Home Health		X		X						3
26054	Franklin	Amedisys Home Care	X	X	X	X		X				3
26024	Franklin	Encompass Home Health of Tennessee	X	X	X	X		X	X			3
40075	Henry	Henry County Medical Center Home Health					X					3
41034	Hickman	St. Thomas Home Health					X		X			3
52024	Lincoln	Deaconess Homecare	X	X	X	X		X	X			2
52044	Lincoln	Lincoln Medical Home Health & Hospice	X		X			X				2
60044	Maury	Maury Regional Home Services						X	X			2
60024	Maury	NHC Homecare	X			X		X	X			2
60084	Maury	Quality First Home Care						X	X			2
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	X									2
71014	Putnam	Highland Rim Home Health Agency				X						2
71084	Putnam	Intrepid USA Healthcare Services				X						1
75054	Rutherford	Amedisys Home Health	X	X	X							1
75064	Rutherford	Amedisys Home Health Care	X		X	X		X	X			1
75024	Rutherford	NHC Homecare	X	X	X	X		X				1
83114	Sumner	Highpoint Homecare				X						1
89074	Warren	Careall Home Care Services		X	X	X						1
89084	Warren	Friendship Home Health, Inc.		X	X	X						1
89064	Warren	Intrepid USA Healthcare Services	X	X	X	X		X				1
94074	Williamson	Guardian Home Care of Nashville, LLC					X					1
95084	Wilson	American National Home Health				X						1
95034	Wilson	Deaconess Homecare I		X		X		X	X			1
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)		X		X						1

Not aligned with Agency name

Number of PSA Counties Authorized

Table Need-5C: Existing Agency Utilization From, and Dependence on, the Project Service Area--By Agency Name (Revised on Supplemental)

Health Statistics ID	Agency County	Number of Counties Agency is Licensed to Serve	No. of Agency's Counties in Project Service Area	Percent of Agency's Counties in Project Service Area	REDFORD	CANNON	COFFEE	DEKALB	HICKMAN	MARSHALL	MAURY	Total Agency Patients in TN	% of Agency's TN Patients Coming From Project Service Area	Agency's Pediatric Patients From Project Service Area--As % of Agency's Total Patients from Project Service Area	Agency's Pediatric Patients From Project Service Area--As % of Agency's Statewide Patients
19714	Davidson	24	7	29.2%	60	112	87	16	1	1	4	281	15.5%	1.07%	0.17%
26054	Franklin	16	5	31.3%	3	168						171	23.7%	0.00%	0.00%
75034	Rutherford	7	3	42.9%	64	27						91	17.9%	0.00%	0.00%
19674	Davidson	16	2	12.5%				46			2	48	2.8%	0.00%	0.00%
19024	Davidson	22	6	27.3%								0	0.00%	0.00%	0.00%
75064	Rutherford	19	5	26.3%	1							485	10.2%	0.00%	0.00%
19684	Davidson	10	1	10.0%					115	369		1,206	0.00%	0.00%	0.00%
95084	Wilson	10	1	10.0%								0	0.00%	0.00%	0.00%
19504	Davidson	22	4	18.2%								0	0.00%	0.00%	0.00%
19724	Davidson	28	5	17.9%	8	1					1	899	0.1%	0.00%	0.00%
89074	Warren	10	3	30.0%	16	35					16	633	4.7%	16.67%	0.79%
19734	Davidson	38	7	18.4%							1	529	10.8%	8.77%	0.95%
14024	Clay	10	1	10.0%							3	4	11.4%	0.00%	0.00%
52024	Lincoln	25	6	24.0%	10							0	0.00%	0.00%	0.00%
95034	Wilson	21	5	23.8%					6			26	334	7.8%	0.00%
19494	Davidson	96	7	7.3%	6	7			1			828	0.1%	0.00%	0.00%
26024	Franklin	34	7	20.6%	34	2	79	1	7	34	8	30	468	6.4%	32.1%
89084	Warren	10	3	30.0%		1	20					157	17.77%	0.00%	0.00%
19614	Davidson	14	4	28.6%	2			13	1			21	186	11.3%	0.00%
94074	Williamson	14	1	7.1%								20	537	3.7%	0.00%
40075	Henry	12	1	8.3%					70			70	1,607	4.4%	0.00%
02024	Bedford	7	3	42.9%	290							0	412	0.0%	0.00%
71014	Putnam	14	1	7.1%		136					21	447	529	14.5%	0.00%
83114	Sumner	10	1	10.0%								4	620	0.6%	0.00%
06063	Bradley	17	1	5.9%								9	1,699	0.5%	0.00%
19544	Davidson	14	4	28.6%								8	1,810	0.4%	0.00%
19364	Davidson	19	7	36.8%	1							200	2,608	7.7%	0.23%
71084	Putnam	8	1	12.5%								99	1,475	6.7%	0.00%
89064	Warren	16	5	31.3%	41	17	284	40	1			0	588	0.0%	0.00%
19084	Davidson	12	1	8.3%								0	249	0.0%	0.00%
95074	Wilson	15	2	13.3%								383	877	43.7%	0.00%
52044	Lincoln	7	3	42.9%								27	1,147	2.4%	0.00%
61044	Maury	8	2	25.0%								33	1,245	2.7%	0.00%
60024	Maury	21	4	19.0%	164							1	359	0.3%	0.00%
75024	Rutherford	24	5	20.8%	16	208						1,161	1,548	75.0%	0.65%
60084	Maury	5	2	40.0%								1,069	2,855	37.4%	0.04%
41034	Hickman	8	1	12.5%								396	4,695	8.4%	0.00%
21024	Coffee	15	5	33.3%	751							383	1,181	32.6%	1.86%
63044	Montgomery	11	1	9.1%								213	297	71.7%	0.00%
30045	DeKalb	24	2	8.3%								2,391	4,206	56.8%	0.00%
33044	DeKalb	20	7	35.0%								1,327	5,322	24.9%	0.02%
19394	Davidson	33	7	21.2%								0	1,168	0.0%	0.00%
20055	DeKalb	17	1	5.9%								26	1,465	1.8%	0.00%
19694	Davidson	36	7	19.4%	90	5	5					39	2,035	1.9%	0.00%
					1,541	871	2,648	959	654	777	2,498	9,948	56.053	0.72%	0.13%

Source: TDH 2017 Joint Annual Reports, pp. 8-10; HSDA Registry for authorized counties.

**Table Need-5D: Existing Agency Utilization From, and Agency Dependence on, the Project Service Area--By Percent Dependence
(Revised on Supplemental)**

Health Statistics ID	Agency County	Agency Name	Number of Counties Agency is Licensed to Serve	No. of Agency's Counties in Project Service Area	Percent of Agency's Counties in Project Service Area	Agency's Patients From Project Service Area Counties	Agency's Total Patients in TN	% of Agency's Total TN Patients from Service Area Counties
02024	Bedford	Heritage Home Health (Tennova HH)	7	3	42.9%	447	529	84.5%
60044	Maury	Maury Regional Home Services	8	2	25.0%	1,161	1,548	75.0%
41034	Hickman	St. Thomas Home Health	8		0.0%	213	297	71.7%
16034	Coffee	Suncrest Home Health	15	5	33.3%	2,391	4,206	56.8%
89064	Warren	Intrepid USA Healthcare Services	16	5	31.3%	383	877	43.7%
75064	Rutherford	Amedisys Home Health Care	19	5	26.3%	485	1,206	40.2%
60024	Maury	NHC Homecare	21	4	19.0%	1,069	2,855	37.4%
60084	Maury	Quality First Home Care	5	2	40.0%	385	1,181	32.6%
21024	DeKalb	Suncrest Home Health	7	2	28.6%	1,327	5,322	24.9%
26054	Franklin	Amedisys Home Care	16	5	31.3%	171	723	23.7%
75054	Rutherford	Amedisys Home Health	7	3	42.9%	91	508	17.9%
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	24	7	29.2%	281	1,811	15.5%
19694	Davidson	Willowbrook Home Health Care Agency	36	7	19.4%	237	1,960	12.1%
19734	Davidson	Coram CVS Specialty Infusion Services	38	7	18.4%	4	35	11.4%
89084	Warren	Friendship Home Health, Inc.	10	3	30.0%	21	186	11.3%
89074	Warren	Careall Home Care Services	10	3	30.0%	57	529	10.8%
26024	Franklin	Encompass Home Health of Tennessee	34	7	20.6%	157	1,777	8.8%
75024	Rutherford	NHC Homecare	24	5	20.8%	396	4,695	8.4%
52024	Lincoln	Deaconess Homecare	25	6	24.0%	26	334	7.8%
19584	Davidson	Home Health Care of Middle Tennessee	14	4	28.6%	200	2,608	7.7%
19544	Davidson	Homecare Solutions, Inc.	96	7	7.3%	99	1,475	6.7%
19494	Davidson	Elk Valley Health Services, Inc.	96	7	7.3%	30	468	6.4%
19724	Davidson	Careall	28	5	17.9%	30	633	4.7%
94074	Williamson	Guardian Home Care of Nashville, LLC	14	1	7.1%	70	1,607	4.4%
19614	Davidson	Friendship Home Healthcare, Inc.	14	4	28.6%	20	537	3.7%
19674	Davidson	Amedisys Home Health (10th Avenue S)	16	2	12.5%	48	1,711	2.8%
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	15	2	13.3%	33	1,245	2.7%
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	12	1	8.3%	27	1,147	2.4%
20055	Decatur	Volunteer Homecare of West Tennessee	17	1	5.9%	39	2,035	1.9%
20045	Decatur	Tennessee Quality Homecare-Southwest	24	2	8.3%	26	1,465	1.8%
71014	Putnam	Highland Rim Home Health Agency	14	1	7.1%	4	620	0.6%
83114	Sumner	Highpoint Homecare	10	1	10.0%	9	1,699	0.5%
06063	Bradley	Home Health Care of East Tennessee, Inc	17	1	5.9%	8	1,810	0.4%
52044	Lincoln	Lincoln Medical Home Health & Hospice	7	3	42.9%	1	359	0.3%
95034	Wilson	Deaconess Homecare I	21	5	23.8%	1	828	0.1%
19504	Davidson	Brookdale Home Health Nashville	22	4	18.2%	1	899	0.1%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	22	6	27.3%	0	1,121	0.0%
19664	Davidson	Amedisys Home Health Services	10	1	10.0%	0	898	0.0%
95084	Wilson	American National Home Health	10	1	10.0%	0	214	0.0%
14024	Clay	Cumberland River Homecare	10	1	10.0%	0	414	0.0%
40075	Henry	Henry County Medical Center Home Health	12	1	8.3%	0	412	0.0%
19364	Davidson	Intrepid USA Healthcare Services	19	7	36.8%	0	588	0.0%
71084	Putnam	Intrepid USA Healthcare Services	8	1	12.5%	0	249	0.0%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	11	1	9.1%	0	1,168	0.0%
19394	Davidson	Vanderbilt Community & Home Services	20	7	35.0%	0	64	0.0%
19394	Davidson	Vanderbilt HC/Option Care IV Services	33	7	21.2%			
TOTALS & AVERAGE						9,948	56,853	17.5%

Source: TDH 2017 Joint Annual Reports; HSDA Registry for authorized counties.

Table Need-5E: Existing Agency Dependence on Service Area Pediatric Patients (Revised on Supplemental)

Health Statistics ID	Agency County		Agency Patients From Project Service Area Counties	Total Agency Patients in TN	% of Agency's TN Patients Coming from Project Service Area	Agency's Pediatric Patients From Service Area Counties	Agency's Pediatric Patients From Project Service Area As % of Agency's Total Patients from Project Service Area	Agency's Pediatric Patients From Project Service Area As % of Agency's Statewide Patients
19494	Davidson	Elk Valley Health Services, Inc.	30	468	6.4%	15	50.00%	3.21%
60084	Maury	Quality First Home Care	385	1,181	32.6%	22	5.71%	1.86%
89074	Warren	Careall Home Care Services	57	529	10.8%	5	8.77%	0.95%
19724	Davidson	Careall	30	633	4.7%	5	16.67%	0.79%
60044	Maury	Maury Regional Home Services	1,161	1,548	75.0%	10	0.86%	0.65%
19584	Davidson	Home Health Care of Middle Tennessee	200	2,608	7.7%	6	3.00%	0.23%
06063	Bradley	Home Health Care of East Tennessee, Inc	8	1,810	0.4%	4	50.00%	0.22%
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	281	1,811	15.5%	3	1.07%	0.17%
60024	Maury	NHC Homecare	1,069	2,855	37.4%	1	0.09%	0.04%
21024	DeKalb	Suncrest Home Health	1,327	5,322	24.9%	1	0.08%	0.02%
02024	Bedford	Heritage Home Health	447	529	84.5%	0	0.00%	0.00%
14024	Clay	Cumberland River Homecare	0	414	0.0%	0	0.00%	0.00%
16034	Coffee	Suncrest Home Health	2,391	4,206	56.8%	0	0.00%	0.00%
19684	Davidson	Amedisys Home Health (10th Avenue 5)	48	1,711	2.8%	0	0.00%	0.00%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	0	1,121	0.0%	0	0.00%	0.00%
19664	Davidson	Amedisys Home Health Services	0	898	0.0%	0	0.00%	0.00%
19504	Davidson	Brookdale Home Health Nashville	1	899	0.1%	0	0.00%	0.00%
19734	Davidson	Coram CVS Specialty Infusion Services	4	35	11.4%	0	0.00%	0.00%
19614	Davidson	Friendship Home Healthcare, Inc	20	537	3.7%	0	0.00%	0.00%
19544	Davidson	Homecare Solutions, Inc.	99	1,475	6.7%	0	0.00%	0.00%
19364	Davidson	Intrepid USA Healthcare Services	0	588	0.0%	0	0.00%	0.00%
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	27	1,147	2.4%	0	0.00%	0.00%
19394	Davidson	Vanderbilt Community & Home Services	0	64	0.0%	0	0.00%	0.00%
19694	Davidson	Willowbrook Home Health Care Agency	237	1,960	12.1%	0	0.00%	0.00%
20045	Decatur	Tennessee Quality Homecare-Southwest	26	1,465	1.8%	0	0.00%	0.00%
20055	Decatur	Volunteer Homecare of West Tennessee	39	2,035	1.9%	0	0.00%	0.00%
26054	Franklin	Amedisys Home Care	171	723	23.7%	0	0.00%	0.00%
26024	Franklin	Encompass Home Health of Tennessee	157	1,777	8.8%	0	0.00%	0.00%
40075	Henry	Henry County Medical Center Home Health	0	412	0.0%	0	0.00%	0.00%
41034	Hickman	St. Thomas Home Health	213	297	71.7%	0	0.00%	0.00%
52024	Lincoln	Deaconess Homecare	26	334	7.8%	0	0.00%	0.00%
52044	Lincoln	Lincoln Medical Home Health & Hospice	1	359	0.3%	0	0.00%	0.00%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	0	1,168	0.0%	0	0.00%	0.00%
71014	Putnam	Highland Rim Home Health Agency	4	620	0.6%	0	0.00%	0.00%
71084	Putnam	Intrepid USA Healthcare Services	0	249	0.0%	0	0.00%	0.00%
75054	Rutherford	Amedisys Home Health	91	508	17.9%	0	0.00%	0.00%
75064	Rutherford	Amedisys Home Health Care	485	1,206	40.2%	0	0.00%	0.00%
75024	Rutherford	NHC Homecare	396	4,695	8.4%	0	0.00%	0.00%
83114	Sumner	Highpoint Homecare	9	1,699	0.5%	0	0.00%	0.00%
89084	Warren	Friendship Home Health, Inc.	21	186	11.3%	0	0.00%	0.00%
89064	Warren	Intrepid USA Healthcare Services	383	877	43.7%	0	0.00%	0.00%
94074	Williamson	Guardian Home Care of Nashville, LLC	70	1,607	4.4%	0	0.00%	0.00%
95084	Wilson	American National Home Health	0	214	0.0%	0	0.00%	0.00%
95034	Wilson	Deaconess Homecare I	1	828	0.1%	0	0.00%	0.00%
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	33	1,245	2.7%	0	0.00%	0.00%
19394	Davidson	Vanderbilt HC/Option Care IV Services						
TOTALS			9,948	56,853	17.5%	72	0.72%	0.13%

Source: TDH 2017 Joint Annual Reports, pp. 8-10; HSDA Registry for authorized counties.

Table Need-5F: Statewide Comparison of Maxim Home Health vs Agencies Authorized in Project Service Area
Pediatric Percent of Total Statewide Patients in 2017

Health Statistics ID	Agency County	Agency	Type	Patients 0-17 Yrs	Total Patients Served	Pediatric Percent
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	Home	14	1,811	0.8%
26054	Franklin	Amedisys Home Care	Home	0	723	0.0%
75054	Rutherford	Amedisys Home Health	Home	0	508	0.0%
19674	Davidson	Amedisys Home Health (10th Avenue S)	Home	0	1,711	0.0%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	Home	0	1,121	0.0%
75064	Rutherford	Amedisys Home Health Care	Home	1	1,206	0.1%
19684	Davidson	Amedisys Home Health Services	Home	0	898	0.0%
95084	Wilson	American National Home Health	Home	0	214	0.0%
19504	Davidson	Brookdale Home Health Nashville	Home	0	899	0.0%
19724	Davidson	Careall	Home	21	633	3.3%
89074	Warren	Careall Home Care Services	Home	8	529	1.5%
19734	Davidson	Coram CVS Specialty Infusion Services	Home	0	35	0.0%
14024	Clay	Cumberland River Homecare	Home	87	414	21.0%
52024	Lincoln	Deaconess Homecare	Home	0	334	0.0%
95034	Wilson	Deaconess Homecare I	Home	0	828	0.0%
19494	Davidson	Elk Valley Health Services, Inc.	Home	205	468	43.8%
26024	Franklin	Encompass Home Health of Tennessee	Home	0	1,777	0.0%
89084	Warren	Friendship Home Health, Inc.	Home	0	186	0.0%
19614	Davidson	Friendship Home Healthcare, Inc	Home	0	537	0.0%
94074	Williamson	Guardian Home Care of Nashville, LLC	Home	0	1,607	0.0%
40075	Henry	Henry County Medical Center Home Health	Home	1	412	0.2%
02024	Bedford	Heritage Home Health	Home	0	529	0.0%
71014	Putnam	Highland Rim Home Health Agency	Home	12	620	1.9%
83114	Sumner	Highpoint Homecare	Home	78	1,699	4.6%
06063	Bradley	Home Health Care of East Tennessee, Inc	Home	83	1,810	4.6%
19584	Davidson	Home Health Care of Middle Tennessee	Home	117	2,608	4.5%
19544	Davidson	Homecare Solutions, Inc.	Home	0	1,475	0.0%
19364	Davidson	Intrepid USA Healthcare Services	Home	0	588	0.0%
71084	Putnam	Intrepid USA Healthcare Services	Home	0	249	0.0%
89064	Warren	Intrepid USA Healthcare Services	Home	0	877	0.0%
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	Home	0	1,147	0.0%
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	Home	0	1,245	0.0%
52044	Lincoln	Lincoln Medical Home Health & Hospice	Both	0	359	0.0%
60044	Maury	Maury Regional Home Services	Home	17	1,548	1.1%
60024	Maury	NHC Homecare	Home	5	2,855	0.2%
75024	Rutherford	NHC Homecare	Home	7	4,695	0.1%
60084	Maury	Quality First Home Care	Home	69	1,181	5.8%
41034	Hickman	St. Thomas Home Health	Home	0	297	0.0%
16034	Coffee	Suncrest Home Health	Home	0	4,206	0.0%
21024	DeKalb	Suncrest Home Health	Home	10	5,322	0.2%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	Home	24	1,168	2.1%
20045	Decatur	Tennessee Quality Homecare-Southwest	Home	14	1,465	1.0%
19394	Davidson	Vanderbilt Community & Home Services	Home	27	64	42.2%
19394	Davidson	Vanderbilt HC/Option Care IV Services	Home			
20055	Decatur	Volunteer Homecare of West Tennessee	Home	39	2,035	1.9%
19694	Davidson	Willowbrook Home Health Care Agency	Home	0	1,960	0.0%
Authorized Agencies (46)				839	56,853	1.5%
33433	Hamilton	Maxim Healthcare Services	Home	43	110	39.1%
47432	Knox	Maxim Healthcare Services	Both	161	308	52.3%
79536	Shelby	Maxim Healthcare Services	Both	119	224	53.1%
90141	Washington	Maxim Healthcare Services	Home	21	24	87.5%
19704	Williamson	Maxim Healthcare Services	Both	160	231	69.3%
Maxim Statewide (4)				504	897	56.2%

Source: 2017 Joint Annual Reports.

Table Need-5G: Statewide Comparison of Maxim Home Health vs Agencies Authorized in Project Service Area
Pediatric Percent of Total Statewide Patients in 2017--Ranked by Percent

Health Statistics ID	Agency County	Agency	Type	Patients 0-17 Yrs	Patients Served All Ages	Pediatric Percent
19494	Davidson	Elk Valley Health Services, Inc.	Home	205	468	43.8%
19394	Davidson	Vanderbilt Community & Home Services	Home	27	64	42.2%
14024	Clay	Cumberland River Homecare	Home	87	414	21.0%
60084	Maury	Quality First Home Care	Home	69	1,181	5.8%
83114	Sumner	Highpoint Homecare	Home	78	1,699	4.6%
06063	Bradley	Home Health Care of East Tennessee, Inc	Home	83	1,810	4.6%
19584	Davidson	Home Health Care of Middle Tennessee	Home	117	2,608	4.5%
19724	Davidson	Careall	Home	21	633	3.3%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	Home	24	1,168	2.1%
71014	Putnam	Highland Rim Home Health Agency	Home	12	620	1.9%
20055	Decatur	Volunteer Homecare of West Tennessee	Home	39	2,035	1.9%
89074	Warren	Careall Home Care Services	Home	8	529	1.5%
60044	Maury	Maury Regional Home Services	Home	17	1,548	1.1%
20045	Decatur	Tennessee Quality Homecare-Southwest	Home	14	1,465	1.0%
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	Home	14	1,811	0.8%
40075	Henry	Henry County Medical Center Home Health	Home	1	412	0.2%
21024	DeKalb	Suncrest Home Health	Home	10	5,322	0.2%
60024	Maury	NHC Homecare	Home	5	2,855	0.2%
75024	Rutherford	NHC Homecare	Home	7	4,695	0.1%
75064	Rutherford	Amedisys Home Health Care	Home	1	1,206	0.1%
26054	Franklin	Amedisys Home Care	Home	0	723	0.0%
75054	Rutherford	Amedisys Home Health	Home	0	508	0.0%
19674	Davidson	Amedisys Home Health (10th Avenue S)	Home	0	1,711	0.0%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	Home	0	1,121	0.0%
19684	Davidson	Amedisys Home Health Services	Home	0	898	0.0%
95084	Wilson	American National Home Health	Home	0	214	0.0%
19504	Davidson	Brookdale Home Health Nashville	Home	0	899	0.0%
19734	Davidson	Coram CVS Specialty Infusion Services	Home	0	35	0.0%
52024	Lincoln	Deaconess Homecare	Home	0	334	0.0%
95034	Wilson	Deaconess Homecare I	Home	0	828	0.0%
26024	Franklin	Encompass Home Health of Tennessee	Home	0	1,777	0.0%
89084	Warren	Friendship Home Health, Inc.	Home	0	186	0.0%
19614	Davidson	Friendship Home Healthcare, Inc	Home	0	537	0.0%
94074	Williamson	Guardian Home Care of Nashville, LLC	Home	0	1,607	0.0%
02024	Bedford	Heritage Home Health	Home	0	529	0.0%
19544	Davidson	Homecare Solutions, Inc.	Home	0	1,475	0.0%
19364	Davidson	Intrepid USA Healthcare Services	Home	0	588	0.0%
71084	Putnam	Intrepid USA Healthcare Services	Home	0	249	0.0%
89064	Warren	Intrepid USA Healthcare Services	Home	0	877	0.0%
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	Home	0	1,147	0.0%
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	Home	0	1,245	0.0%
52044	Lincoln	Lincoln Medical Home Health & Hospice	Both	0	359	0.0%
41034	Hickman	St. Thomas Home Health	Home	0	297	0.0%
16034	Coffee	Suncrest Home Health	Home	0	4,206	0.0%
19694	Davidson	Willowbrook Home Health Care Agency	Home	0	1,960	0.0%
19394	Davidson	Vanderbilt HC/Option Care IV Services	Home			
Authorized Agencies (46)				839	56,853	1.5%
90141	Washington	Maxim Healthcare Services	Home	21	24	87.5%
19704	Williamson	Maxim Healthcare Services	Both	160	231	69.3%
79536	Shelby	Maxim Healthcare Services	Both	119	224	53.1%
47432	Knox	Maxim Healthcare Services	Both	161	308	52.3%
33433	Hamilton	Maxim Healthcare Services	Home	43	110	39.1%
Maxim Statewide (4)				504	897	56.2%

Source: 2017 TDH Joint Annual Reports.

Table Need-5H: 2017 TennCare Payor Mix of Agencies Authorized in Service Area--By Agency Name

Health Statistics ID	Agency County	Agency Name	Total Gross Revenue	TNCare Gross Revenue	TnCare % of Gross Revenue
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	\$6,565,574	\$728,152	11.1%
26054	Franklin	Amedisys Home Care	\$6,742,750	\$0	0.0%
75054	Rutherford	Amedisys Home Health	\$4,602,048	\$0	0.0%
19674	Davidson	Amedisys Home Health (10th Avenue S)	\$14,664,790	\$0	0.0%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	\$7,817,181	\$0	0.0%
75064	Rutherford	Amedisys Home Health Care	\$10,358,230	\$0	0.0%
19684	Davidson	Amedisys Home Health Services	\$5,186,167	\$0	0.0%
95084	Wilson	American National Home Health	\$2,720,411	\$0	0.0%
19504	Davidson	Brookdale Home Health Nashville	\$6,845,273	\$0	0.0%
19724	Davidson	Careall	\$3,521,901	\$1,641,314	46.6%
89074	Warren	Careall Home Care Services	\$2,349,249	\$192,945	8.2%
19734	Davidson	Coram CVS Specialty Infusion Services	\$70,915	\$192	0.3%
14024	Clay	Cumberland River Homecare	\$6,590,015	\$5,316,013	80.7%
52024	Lincoln	Deaconess Homecare	\$825,714	\$0	0.0%
95034	Wilson	Deaconess Homecare I	\$3,694,850	\$9,648	0.3%
19494	Davidson	Elk Valley Health Services, Inc.	\$33,492,632	\$32,138,671	96.0%
26024	Franklin	Encompass Home Health of Tennessee	\$8,565,841	\$299	0.0%
89084	Warren	Friendship Home Health, Inc.	\$1,461,361	\$131,927	9.0%
19614	Davidson	Friendship Home Healthcare, Inc	\$3,102,649	\$855,768	27.6%
94074	Williamson	Guardian Home Care of Nashville, LLC	\$9,521,887	\$0	0.0%
40075	Henry	Henry County Medical Center Home Health	\$839,108	\$23,453	2.8%
02024	Bedford	Heritage Home Health	\$8,232	\$370	4.5%
71014	Putnam	Highland Rim Home Health Agency	\$4,858,295	\$3,057,280	62.9%
83114	Sumner	Highpoint Homecare	\$2,854,948	\$148,768	5.2%
06063	Bradley	Home Health Care of East Tennessee, Inc	\$14,953,436	\$7,995,324	53.5%
19584	Davidson	Home Health Care of Middle Tennessee	\$21,723,246	\$6,028,249	27.8%
19544	Davidson	Homecare Solutions, Inc.	\$6,516,442	\$27,706	0.4%
19364	Davidson	Intrepid USA Healthcare Services	\$1,212,108	\$0	0.0%
71084	Putnam	Intrepid USA Healthcare Services	\$1,081,085	\$0	0.0%
89064	Warren	Intrepid USA Healthcare Services	\$3,339,036	\$0	0.0%
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	\$3,503,764	\$0	0.0%
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	\$3,824,419	\$0	0.0%
52044	Lincoln	Lincoln Medical Home Health & Hospice	\$746,923	\$36,662	4.9%
60044	Maury	Maury Regional Home Services	\$4,812,827	\$588,058	12.2%
60024	Maury	NHC Homecare	\$14,200,206	\$0	0.0%
75024	Rutherford	NHC Homecare	\$17,393,080	\$0	0.0%
60084	Maury	Quality First Home Care	\$11,251,260	\$5,432,154	48.3%
41034	Hickman	St. Thomas Home Health	\$963,525	\$131,726	13.7%
16034	Coffee	Suncrest Home Health	\$12,862,092	\$1,090,653	8.5%
21024	DeKalb	Suncrest Home Health	\$5,367,277	\$2,204,814	41.1%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	\$4,304,475	\$1,513,609	35.2%
20045	Decatur	Tennessee Quality Homecare-Southwest	\$6,311,349	\$1,142,730	18.1%
19394	Davidson	Vanderbilt Community & Home Services	\$4,270,068	\$3,554,238	83.2%
19394	Davidson	Vanderbilt HC/Option Care IV Services			#DIV/0!
20055	Decatur	Volunteer Homecare of West Tennessee	\$12,849,455	\$1,336,994	10.4%
19694	Davidson	Willowbrook Home Health Care Agency	\$9,859,992	\$0	0.0%
TOTALS			\$308,606,086	\$75,327,717	24.4%

Source: HHA Joint Ann. Reports, 2017.

TennCare Utilization of Maxim Healthcare Services in Tennessee

Health Statistics ID	Agency County	Agency Name	Total Gross Revenue	TNCare Gross Revenue	TnCare % of Gross Revenue
33433	Hamilton	Maxim Healthcare Services	\$6,004,439	\$5,906,015	98.4%
47432	Knox	Maxim Healthcare Services	\$21,107,824	\$19,642,133	93.1%
79536	Shelby	Maxim Healthcare Services	\$16,716,998	\$16,011,723	95.8%
90141	Washington	Maxim Healthcare Services	\$2,089,000	\$1,861,864	89.1%
19704	Williamson	Maxim Healthcare Services	\$19,304,514	\$17,833,105	92.4%
STATEWIDE TOTALS			\$65,222,775	\$61,254,840	93.9%

Source: HHA Joint Ann. Reports, 2017.

Table Need-51: 2017 TennCare Payor Mix of Agencies Authorized in Service Area--By TennCare Percent of Revenue

Health Statistics ID	Agency County	Agency Name	Total Gross Revenue	TNCare Gross Revenue	TnCare % of Gross Revenue
19394	Davidson	Vanderbilt HC/Option Care IV Services			
19494	Davidson	Elk Valley Health Services, Inc.	\$33,492,632	\$32,138,671	96.0%
19394	Davidson	Vanderbilt Community & Home Services	\$4,270,068	\$3,554,238	83.2%
14024	Clay	Cumberland River Homecare	\$6,590,015	\$5,316,013	80.7%
71014	Putnam	Highland Rim Home Health Agency	\$4,858,295	\$3,057,280	62.9%
06063	Bradley	Home Health Care of East Tennessee, Inc	\$14,953,436	\$7,995,324	53.5%
60084	Maury	Quality First Home Care	\$11,251,260	\$5,432,154	48.3%
19724	Davidson	Careall	\$3,521,901	\$1,641,314	46.6%
21024	DeKalb	Suncrest Home Health	\$5,367,277	\$2,204,814	41.1%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	\$4,304,475	\$1,513,609	35.2%
19584	Davidson	Home Health Care of Middle Tennessee	\$21,723,246	\$6,028,249	27.8%
19614	Davidson	Friendship Home Healthcare, Inc	\$3,102,649	\$855,768	27.6%
20045	Decatur	Tennessee Quality Homecare-Southwest	\$6,311,349	\$1,142,730	18.1%
41034	Hickman	St. Thomas Home Health	\$963,525	\$131,726	13.7%
60044	Maury	Maury Regional Home Services	\$4,812,827	\$588,058	12.2%
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	\$6,565,574	\$728,152	11.1%
20055	Decatur	Volunteer Homecare of West Tennessee	\$12,849,455	\$1,336,994	10.4%
89084	Warren	Friendship Home Health, Inc.	\$1,461,361	\$131,927	9.0%
16034	Coffee	Suncrest Home Health	\$12,862,092	\$1,090,653	8.5%
89074	Warren	Careall Home Care Services	\$2,349,249	\$192,945	8.2%
83114	Sumner	Highpoint Homecare	\$2,854,948	\$148,768	5.2%
52044	Lincoln	Lincoln Medical Home Health & Hospice	\$746,923	\$36,662	4.9%
02024	Bedford	Heritage Home Health	\$8,232	\$370	4.5%
40075	Henry	Henry County Medical Center Home Health	\$839,108	\$23,453	2.8%
19544	Davidson	Homecare Solutions, Inc.	\$6,516,442	\$27,706	0.4%
19734	Davidson	Coram CVS Specialty Infusion Services	\$70,915	\$192	0.3%
95034	Wilson	Deaconess Homecare I	\$3,694,850	\$9,648	0.3%
26024	Franklin	Encompass Home Health of Tennessee	\$8,565,841	\$299	0.0%
19674	Davidson	Amedisys Home Health (10th Avenue S)	\$14,664,790	\$0	0.0%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	\$7,817,181	\$0	0.0%
19684	Davidson	Amedisys Home Health Services	\$5,186,167	\$0	0.0%
19504	Davidson	Brookdale Home Health Nashville	\$6,845,273	\$0	0.0%
19364	Davidson	Intrepid USA Healthcare Services	\$1,212,108	\$0	0.0%
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	\$3,503,764	\$0	0.0%
19694	Davidson	Willowbrook Home Health Care Agency	\$9,859,992	\$0	0.0%
26054	Franklin	Amedisys Home Care	\$6,742,750	\$0	0.0%
52024	Lincoln	Deaconess Homecare	\$825,714	\$0	0.0%
60024	Maury	NHC Homecare	\$14,200,206	\$0	0.0%
71084	Putnam	Intrepid USA Healthcare Services	\$1,081,085	\$0	0.0%
75054	Rutherford	Amedisys Home Health	\$4,602,048	\$0	0.0%
75064	Rutherford	Amedisys Home Health Care	\$10,358,230	\$0	0.0%
75024	Rutherford	NHC Homecare	\$17,393,080	\$0	0.0%
89064	Warren	Intrepid USA Healthcare Services	\$3,339,036	\$0	0.0%
94074	Williamson	Guardian Home Care of Nashville, LLC	\$9,521,887	\$0	0.0%
95084	Wilson	American National Home Health	\$2,720,411	\$0	0.0%
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	\$3,824,419	\$0	0.0%
TOTALS			\$308,606,086	\$75,327,717	24.4%

Source: HHA Joint Ann. Reports, 2017.

TennCare Utilization of Maxim Healthcare Services in Tennessee

Health Statistics ID	Agency County	Agency Name	Total Gross Revenue	TNCare Gross Revenue	TnCare % of Gross Revenue
33433	Hamilton	Maxim Healthcare Services	\$6,004,439	\$5,906,015	98.4%
79536	Shelby	Maxim Healthcare Services	\$16,716,998	\$16,011,723	95.8%
47432	Knox	Maxim Healthcare Services	\$21,107,824	\$19,642,133	93.1%
19704	Davidson	Maxim Healthcare Services	\$19,304,514	\$17,833,105	92.4%
90141	Washington	Maxim Healthcare Services	\$2,089,000	\$1,861,864	89.1%
STATEWIDE TOTALS			\$65,222,775	\$61,254,840	93.9%

Source: HHA Joint Ann. Reports, 2017.

Table Need-5J: Total Statewide Utilization of Agencies in Service Area in 2015-2017--Alphabetical by Agency Name												
Health Statistics ID	Agency County	Agency Name	Date of Licensure	2015 Patients	2015 Visits	2015 PD Hours	2016 Patients	2016 Visits	2016 PD Hours	2017 Patients	2017 Visits	2017 PD Hours
19714	Davidson	Adoration Home Health, LLC	3/24/09	37	18	9,494	569	1,533	42	1,811	44,052	11,397
26054	Franklin	Amedisys Home Care	9/19/83	909	22,087	0	1,011	23,092	0	723	11,954	0
75054	Rutherford	Amedisys Home Health	6/7/84	585	12,441	0	691	15,201	0	508	9,695	0
19684	Davidson	Amedisys Home Health (10th Avenue S)	7/1/88	638	15,403	0	635	16,742	0	898	29,466	0
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	2/2/76	1,205	23,552	0	1,348	24,895	0	1,121	18,008	0
75064	Rutherford	Amedisys Home Health Care	8/23/84	1,265	29,977	0	1,516	36,070	0	1,206	20,684	0
19684	Davidson	Amedisys Home Health Services	9/10/82	638	15,403	0	635	16,742	0	898	3,722	0
95084	Wilson	American National Home Health	10/24/00	224	16,997	0	210	16,561	0	214	17,393	0
19504	Davidson	Brookdale Home Health Nashville	1/13/83	610	31,890	0	854	36,277	0	899	37,489	0
19724	Davidson	Careall	7/5/84	1,266	13,314	106,309	848	12,825	75,549	633	12,525	75,937
89074	Warren	Coram Home Care Services	3/24/09	749	15,837	26,410	765	14,976	25,938	529	17,420	11,588
19734	Davidson	Coram CVS Specialty Infusion Services	1/30/13	36	241	873	45	328	536	35	297	1,514
14024	Clay	Cumberland River Homecare	12/28/82	293	11,079	99,012	390	13,431	94,755	414	10,288	105,445
52024	Lincoln	Deaconess Homecare	2/25/76	731	13,872	2,510	325	6,705	464	334	6,671	6,091
95034	Wilson	Deaconess Homecare I	12/18/78	956	25,966	5,804	658	19,748	1,447	828	27,305	22,866
19494	Davidson	Elk Valley Health Services, Inc.	7/17/84	457	112,411	945,276	551	128,438	1,027,116	468	127,644	1,049,555
26024	Franklin	Encompass Home Health of Tennessee	1/29/76	2,581	60,294	0	2,761	64,741	0	1,777	54,255	46,491
89084	Warren	Friendship Home Health, Inc.	2/12/08	1,097	18,431	0	329	14,529	0	186	9,727	0
19614	Davidson	Friendship Home Healthcare, Inc	3/4/96	631	15,696	0	555	19,219	0	537	19,996	0
94074	Williamson	Guardian Home Care of Nashville, LLC	5/24/01	1,810	57,946	7,729	1,740	61,856	4,991	1,607	56,511	42,483
40075	Henry	Henry County Medical Center Home Health	12/7/84	428	6,887	0	427	6,367	0	412	8,613	0
02024	Bedford	Heritage Home Health	5/4/84	485	7,096	1,329	416	5,955	795	529	973	7,250
71014	Putnam	Highland Rim Home Health Agency	5/2/78	549	15,397	81,226	639	15,364	91,283	620	16,166	78,345
83114	Sumner	Highpoint Homecare	9/7/84	1,103	16,154	0	1,371	20,274	0	1,699	24,708	22,459
06063	Bradley	Home Health Care of East Tennessee, Inc	3/14/84	1,580	52,548	184,759	1,635	51,905	239,838	1,810	41,155	239,112
19584	Davidson	Home Health Care of Middle Tennessee	12/20/82	2,998	42,113	521,678	2,564	34,774	527,370	2,608	37,440	446,184
19544	Davidson	Homecare Solutions, Inc.	9/7/88	1,813	69,300	905	1,597	54,341	631	1,475	43,618	38,570
19364	Davidson	Intrepid USA Healthcare Services	6/20/84	1,146	29,192	0	675	9,740	0	588	11,685	0
71084	Putnam	Intrepid USA Healthcare Services	6/19/84	369	8,930	0	363	8,481	0	249	7,849	0
89064	Warren	Intrepid USA Healthcare Services	8/1/84	843	28,173	0	758	22,142	0	877	23,107	0
19084	Davidson	Kindred at Home (fka Gentiva Hlth Svcs)	8/22/84	869	24,921	0	924	23,984	0	1,147	21,816	0
95074	Wilson	Kindred at Home (fka Gentiva Hlth Svcs)	1/10/83	1,109	27,359	0	1,054	24,268	0	1,245	24,648	0
52044	Lincoln	Lincoln Medical Home Health & Hospice	11/22/83	396	5,574	0	412	5,503	0	359	5,240	0
60044	Maury	Maury Regional Home Services	5/31/84	1,489	23,711	0	1,661	21,645	0	1,548	26,080	0
60024	Maury	NHC Homecare	11/22/77	2,517	69,334	0	2,769	73,542	0	2,855	76,067	0
75024	Rutherford	NHC Homecare	5/17/76	4,270	95,199	0	4,318	93,989	0	4,695	88,437	0
60084	Maury	Quality First Home Care	8/12/82	1,133	22,346	185,739	1,188	26,657	215,081	1,181	28,949	225,121
41034	Hickman	St. Thomas Home Health	6/1/84	370	5,493	167	266	6,114	0	297	5,054	0
16034	Coffee	Suncrest Home Health	4/16/84	1,667	72,648	22,190	304	6,778	0	4,206	97,169	37,814
21024	DeKalb	Suncrest Home Health	5/28/82	2,663	99,227	20,447	4,614	98,202	150,652	5,322	79,715	101,263
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	2/1/84	864	25,772	37,490	890	22,055	57,211	1,168	18,608	54,861
20045	Decatur	Tennessee Quality Homecare-Southwest	3/19/84	1,043	33,261	0	1,095	39,422	0	1,465	41,292	0
19394	Davidson	Vanderbilt Community & Home Services	6/8/84	1,907	14,214	84,952	1,653	17,088	84,259	64	0	76,882
19394	Davidson	Vanderbilt HC/Option Care IV Services	9/15/00									
20055	Decatur	Volunteer Homecare of West Tennessee	6/11/84	1,833	50,730	197,965	1,951	50,271	202,592	2,035	49,400	202,592
19694	Davidson	Willowbrook Home Health Care Agency	10/29/81	1,512	31,834	0	1,649	39,333	0	1,960	50,992	0
TOTALS				51,674	1,390,298	2,542,264	51,629	1,322,103	2,800,550		1,363,883	2,903,820

Source: TDH HHA Joint Ann. Reports, 2015-17, p. 8 for visits and hours; p. 10 for unduplicated patients.

Source: TDH HHA Joint Ann. Reports, 2015-17, p. 8 for visits and hours; p. 10 for unduplicated patients.

Table Need 5K: 2017 Hours & Visits By Discipline for 46 Major Agencies in Service Area and Maxim Agencies in Tennessee

Health Statistics ID	Agency County	Agency	HOURS BY DISCIPLINE					VISITS BY DISCIPLINE									
			Home Health Aide	Skilled Nursing	Other	Total Hours, All Disciplines	Home Health Aide	Home Maker Services	Medical Social Services	Occupational Therapy	Physical Therapy	Skilled Nursing	Infusion Nursing > 2hrs	Infusion Nursing < 2hrs	Speech Therapy	Other	Total Visits, All Disciplines
02024	Bedford	Heritage Home Health	142	3,422	3,686	7,250	33	0	0	62	334	454	0	0	0	6	973
06063	Bradley	Home Health Care of East Tennessee, Inc.	51,970	187,142	0	239,112	4,377	0	445	422	19,573	15,917	0	0	0	421	41,155
14024	Clay	Cumberland River Homecare	89,477	15,968	0	105,445	33	0	62	84	334	454	0	0	0	6	973
16034	Colfey	Suncrest Home Health	8,411	15,443	13,960	37,814	4,902	0	770	5,454	43,708	40,402	0	64	1,869	0	97,169
19714	Davidson	Adoration Home Health, LLC (Remova HH)	0	11,397	0	11,397	2,783	0	146	3,119	23,577	13,908	0	0	519	0	44,032
19884	Davidson	Amedys Home Health (10th Avenue S)	0	0	0	0	0	0	162	756	1,605	1,036	0	0	163	0	3,722
19924	Davidson	Amedys Home Health (10th Ave Rd)	0	0	0	0	252	0	311	2,870	7,509	5,971	0	0	1,095	0	18,008
19884	Davidson	Amedys Home Health Services	0	0	0	0	0	0	162	756	1,605	1,036	0	0	163	0	3,722
19504	Davidson	Brookdale Home Health Nashville	0	0	0	0	48	0	285	8,751	14,918	11,197	0	0	2,290	0	37,489
19724	Davidson	Carroll	34,807	27,640	13,490	75,937	1,628	0	178	834	4,851	4,933	0	0	41	0	12,525
19734	Davidson	Coram CVS Specialty Infusion Services	0	1,514	0	1,514	0	0	0	0	0	0	0	0	0	0	294
19484	Davidson	Elk Valley Health Services, Inc.	230,347	818,469	739	1,049,555	37,356	0	0	0	0	90,024	0	0	0	0	127,647
19614	Davidson	Friendship Home Healthcare, Inc.	0	0	0	0	5,842	0	0	1,234	7,721	5,033	0	0	0	0	19,996
19544	Davidson	Homecare Solutions, Inc.	334	16,731	0	17,065	426	0	729	5,203	18,073	17,245	14	0	1,928	0	43,618
19584	Davidson	Home Health Care of Middle Tennessee	91,420	332,839	21,925	446,184	736	0	320	4,935	14,263	15,145	0	119	1,922	0	37,440
19364	Davidson	Intrepid USA Healthcare Services	0	0	0	0	0	0	194	890	4,957	5,533	0	0	61	0	11,685
19064	Davidson	Kindred at Home (Rix Gentiva Hlth Svcs)	0	0	0	0	0	0	294	3,466	9,773	7,538	0	0	1,015	0	21,816
19394	Davidson	Vanderbilt Community & Home Services	29,999	46,106	777	76,882	0	0	0	0	0	0	0	0	0	0	0
18394	Davidson	Vanderbilt HC/Option Care IV Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19694	Davidson	Willowbrook Home Health Care Agency	0	0	0	0	1,145	0	735	7,744	21,955	17,219	0	0	2,194	0	50,992
20045	Deatur	Tennessee Quality Homecare-Southwest	0	0	0	0	5,613	178	161	486	12,589	22,019	0	0	246	0	41,292
20055	Deatur	Volunteer Homecare of West Tennessee	137,111	63,795	1,686	202,592	12,277	0	309	1,053	11,459	24,118	0	0	184	0	49,400
21024	DeKalb	Suncrest Home Health	37,430	26,060	37,773	101,263	9,011	0	815	4,487	31,875	32,332	0	14	1,231	0	79,715
26054	Franklin	Amedys Home Care	0	0	0	0	668	0	196	764	5,100	4,670	0	0	556	0	11,954
26024	Franklin	Encompass Home Health of Tennessee	651	17,088	28,752	46,491	547	0	467	7,740	21,242	19,777	0	0	4,482	0	54,255
40075	Henry	Henry County Medical Center Home Health	0	0	0	0	106	0	79	20	4,415	3,843	0	0	142	0	8,613
41034	Hickman	St. Thomas Home Health	0	0	0	0	5	0	1	1,257	1,490	2,227	0	0	74	0	5,054
52024	Lincoln	Deaconess Homecare	508	2,517	3,066	6,091	574	0	2	104	3,430	2,531	0	0	30	0	6,671
52044	Lincoln	Lincoln Medical Home Health & Hospice	0	0	0	0	318	0	110	241	1,758	2,659	0	0	144	0	5,240
60044	Maury	Maury Regional Home Health Services	0	0	0	0	1,414	0	62	1,904	9,337	12,982	0	0	381	0	26,080
60024	Maury	NHC Homecare	0	0	0	0	6,090	0	382	645	24,867	43,538	200	0	285	0	76,067
60084	Maury	Quality First Home Care	129,131	93,211	2,779	225,121	2,905	0	98	1,144	7,742	16,056	0	0	1,004	0	28,949
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	36,434	17,667	760	54,861	571	0	185	3,536	6,602	7,427	0	0	287	0	18,608
71014	Pekham	Highland Rm Home Health Agency	61,634	15,871	740	78,245	4,154	0	493	1,534	4,310	5,645	0	0	30	0	16,166
71084	Pittman	Intrepid USA Healthcare Services	0	0	0	0	1,176	0	30	251	2,496	3,896	0	0	0	0	7,849
75084	Rutherford	Amedys Home Health	0	0	0	0	434	0	198	1,029	4,351	3,001	0	0	676	0	9,695
75064	Rutherford	Amedys Home Health Care	0	0	0	0	369	0	281	2,538	8,817	7,847	0	0	1,032	0	20,684
75024	Rutherford	NHC Homecare	0	0	0	0	4,728	0	445	7,116	35,677	39,620	0	0	851	0	88,437
83134	Sumner	Highpoint Homecare	968	11,465	10,076	22,459	1,162	0	147	1,618	9,031	12,216	0	0	134	400	24,708
85074	Warren	Carroll Home Care Services	8,076	744	2,768	11,588	1,059	0	193	1,126	6,099	8,943	0	0	0	0	17,420
89084	Warren	Friendship Home Health, Inc.	0	0	0	0	1,481	0	0	0	5,191	3,055	0	0	0	0	9,727
89084	Warren	Intrepid USA Healthcare Services	0	0	0	0	874	0	386	955	8,389	12,340	0	0	163	0	23,107
94074	Williamson	Guardian Home Care of Nashville, LLC	1,122	14,145	27,216	42,483	1,158	0	941	9,927	22,103	19,585	0	0	2,817	0	56,511
95084	Wilson	American National Home Health	0	0	0	0	7,814	0	39	0	8,233	7,814	0	0	20	0	17,399
95034	Wilson	Deaconess Homecare I	1,657	9,338	11,871	22,866	2,072	0	399	5,206	10,170	9,026	0	0	792	0	27,305
95074	Wilson	Kindred at Home (Rix Gentiva Hlth Svcs)	0	0	0	0	870	0	997	3,218	10,920	8,460	0	0	783	0	24,648
			11,823	35,692	51,881	99,396	14,980	0	2,928	31,704	124,630	128,736	0	0	400	0	4,417
19704 Davidson		Maxim Healthcare Services	63,750	472,550	0	535,300	0	0	0	0	0	933	0	0	0	0	933
39433 Hamilton		Maxim Healthcare Services	90,587	145,611	117	176,315	0	0	0	0	0	433	40	0	0	0	515
47432 Knox		Maxim Healthcare Services	107,902	509,861	0	617,763	0	0	0	0	0	666	0	0	0	0	666
79536 Shelby		Maxim Healthcare Services	373,430	0	0	373,430	0	0	0	0	0	2,303	0	0	0	0	2,303
90141 Washington		Maxim Healthcare Services	5,702	55,007	0	60,709	0	0	0	0	0	0	0	0	0	0	0
			341,534	1,556,459	117	1,898,110	0	0	0	0	0	4,315	40	0	0	0	4,417

Source: TDH HHA Joint Annual Reports, 2017

Table Need-51: TennCare Utilization of Agencies Serving Service Area in 2017

Health Statistics ID	Agency County	Agency Name	Date of Licensure	Total Agency Patients	Total TennCare Patients	TennCare % of Total Patients	Total Agency Visits	TennCare Visits	TennCare % of Total Visits	Total Agency Hours	TennCare Hours	TennCare % of Total Hours	Total Gross Revenue	TennCare Gross Revenue	TennCare % of Gross Revenue
19714	Davidson	Adoration Home Health, LLC (Tennessee HH)	3/24/09	1,819	135	7.4%	44,052	3,278	7.4%	11,397	11,397	100.0%	\$6,565,574	\$728,152	11.1%
26054	Franklin	Amedisys Home Care	9/19/83	1,558	0	0.0%	11,954	0	0.0%	0	0	0.0%	\$6,742,750	\$0	0.0%
75054	Rutherford	Amedisys Home Health	6/7/84	1,274	0	0.0%	9,695	0	0.0%	0	0	0.0%	\$4,602,048	\$0	0.0%
19674	Davidson	Amedisys Home Health (10th Avenue S)	7/1/88	4,066	0	0.0%	29,466	0	0.0%	0	0	0.0%	\$14,664,790	\$0	0.0%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	2/27/86	2,692	0	0.0%	18,008	0	0.0%	0	0	0.0%	\$7,817,181	\$0	0.0%
75064	Rutherford	Amedisys Home Health Care	8/23/84	2,657	0	0.0%	20,684	0	0.0%	0	0	0.0%	\$10,358,250	\$0	0.0%
19584	Davidson	Amedisys Home Health Services	9/10/82	1,222	0	0.0%	3,722	0	0.0%	0	0	0.0%	\$5,186,167	\$0	0.0%
19504	Wilson	American National Home Health	10/24/00	299	0	0.0%	17,393	0	0.0%	0	0	0.0%	\$2,720,411	\$0	0.0%
19504	Davidson	Brookdale Home Health Nashville	1/13/83	1,835	0	0.0%	37,489	0	0.0%	0	0	0.0%	\$6,845,273	\$0	0.0%
19724	Warren	Careall	7/15/84	1,325	176	13.3%	12,523	459	3.7%	75,937	56,438	74.3%	\$9,521,901	\$1,641,314	17.2%
89074	Warren	Careall Home Care Services	3/24/09	1,096	66	6.0%	17,420	485	2.8%	11,588	6,183	53.4%	\$2,349,249	\$192,945	8.2%
19734	Davidson	Coram CVS Specialty Infusion Services	2/12/08	35	1	2.9%	297	2	0.7%	1,514	6	0.4%	\$70,915	\$192	0.3%
14024	Clay	Cumberland River Homecare	12/28/82	390	162	41.5%	10,288	4,519	43.9%	105,445	94,946	90.0%	\$6,590,015	\$5,316,013	80.7%
52024	Lincoln	Deaconess Homecare	2/25/76	334	0	0.0%	6,671	0	0.0%	6,091	0	0.0%	\$825,714	\$0	0.0%
95034	Wilson	Deaconess Homecare I	12/18/78	828	5	0.6%	27,305	268	1.0%	22,866	285	1.2%	\$3,694,850	\$9,648	0.3%
19494	Davidson	Elk Valley Health Services, Inc.	7/17/84	468	424	90.6%	127,644	96,226	75.4%	1,049,555	942,567	89.8%	\$33,492,632	\$32,188,671	96.1%
26024	Franklin	Encompass Home Health of Tennessee	1/29/76	2,102	1	0.0%	54,255	46	0.1%	46,491	10	0.0%	\$8,585,841	\$299	0.0%
89084	Warren	Friendship Home Health, Inc.	2/12/08	261	13	5.0%	9,727	912	9.4%	0	0	0.0%	\$1,461,361	\$131,927	9.0%
19614	Davidson	Friendship Home Healthcare, Inc.	3/14/96	764	47	6.1%	19,996	5,237	26.2%	0	0	0.0%	\$3,102,649	\$855,768	27.6%
94074	Williamson	Guardian Home Care of Nashville, LLC	5/24/01	1,607	0	0.0%	56,511	0	0.0%	42,483	0	0.0%	\$9,521,887	\$0	0.0%
40075	Henry	Henry County Medical Center Home Health	12/7/84	417	32	7.7%	8,613	1,928	22.4%	0	0	0.0%	\$839,108	\$23,453	2.8%
02024	Bedford	Heritage Home Health	5/14/84	818	44	5.4%	973	7	0.7%	7,250	926	12.7%	\$8,732	\$370	4.3%
71014	Putnam	Highland Rim Home Health Agency	5/27/78	654	152	23.2%	16,166	1,332	8.2%	78,345	71,369	91.1%	\$4,858,295	\$3,057,280	62.9%
83114	Sumner	Highpoint Homecare	9/7/84	1,601	105	6.6%	24,708	1,788	7.2%	22,459	1,688	7.5%	\$2,854,948	\$148,768	5.2%
06063	Bradley	Home Health Care of East Tennessee, Inc.	3/14/84	1,624	150	9.2%	41,155	1,700	4.1%	230,112	229,470	99.7%	\$14,953,436	\$7,995,324	53.5%
19584	Davidson	Home Health Care of Middle Tennessee	12/20/82	1,647	354	21.5%	37,440	5,074	13.5%	446,184	396,953	88.8%	\$21,725,246	\$6,038,249	27.8%
19544	Davidson	Homecare Solutions, Inc.	9/7/88	1,475	10	0.7%	43,618	130	0.3%	38,570	131	0.3%	\$6,516,442	\$27,706	0.4%
19364	Davidson	Interpud USA Healthcare Services	6/20/84	11,685	0	0.0%	11,685	0	0.0%	0	0	0.0%	\$1,212,108	\$0	0.0%
71084	Putnam	Interpud USA Healthcare Services	6/19/84	246	0	0.0%	7,849	0	0.0%	0	0	0.0%	\$1,081,085	\$0	0.0%
89064	Warren	Interpud USA Healthcare Services	8/1/84	711	0	0.0%	23,107	0	0.0%	0	0	0.0%	\$3,339,036	\$0	0.0%
19084	Davidson	Kindred at Home (aka Gentiva Hlt Svcs)	8/22/84	3,307	0	0.0%	21,816	0	0.0%	0	0	0.0%	\$3,503,764	\$0	0.0%
95074	Wilson	Kindred at Home (aka Gentiva Hlt Svcs)	1/10/83	4,482	0	0.0%	24,648	0	0.0%	0	0	0.0%	\$3,824,419	\$0	0.0%
52044	Lincoln	Lincoln Medical Home Health & Hospice	11/22/83	326	18	5.5%	5,240	225	4.3%	0	0	0.0%	\$746,923	\$56,662	7.6%
60044	Maury	Maury Regional Home Health Services	5/17/84	28,090	3,321	12.7%	26,080	3,921	15.0%	0	0	0.0%	\$4,812,827	\$588,058	12.2%
60024	Maury	NHC Homecare	11/22/77	2,897	0	0.0%	76,067	0	0.0%	0	0	0.0%	\$14,200,206	\$0	0.0%
75024	Rutherford	NHC Homecare	5/17/76	4,773	0	0.0%	88,437	0	0.0%	0	0	0.0%	\$17,393,080	\$0	0.0%
60084	Maury	Quality First Home Care	8/12/82	1,227	211	17.2%	28,949	4,432	15.3%	225,121	138,137	61.4%	\$11,251,260	\$5,432,154	48.3%
41034	Hickman	St. Thomas Home Health	6/1/84	330	56	17.0%	5,054	873	17.3%	0	0	0.0%	\$963,525	\$131,726	13.7%
16094	Koffee	Suncrest Home Health	4/16/84	2,836	233	8.2%	97,169	12,916	13.3%	37,814	22,227	58.8%	\$12,862,092	\$1,090,653	8.5%
21024	DeKalb	Suncrest Home Health	5/28/82	5,047	287	5.7%	79,715	3,582	4.5%	101,263	63,451	62.7%	\$5,367,277	\$2,204,814	41.1%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	2/1/84	1,286	198	15.4%	18,608	2,223	11.9%	54,861	40,472	73.8%	\$4,304,475	\$1,513,609	35.7%
20045	Decatur	Tennessee Quality Homecare-Southwest	3/19/84	1,537	89	5.8%	41,292	4,426	10.7%	0	0	0.0%	\$6,311,349	\$1,142,730	18.1%
19394	Davidson	Vanderbilt Community & Home Services	5/18/84	70	34	48.6%	0	0	0.0%	76,882	66,265	86.2%	\$4,270,068	\$3,554,238	83.2%
19394	Davidson	Vanderbilt HC/Option Care IV Services	9/15/00	2,095	358	17.6%	49,400	5,121	10.4%	202,582	123,807	61.1%	\$12,849,455	\$1,336,994	10.4%
20055	Decatur	Volunteer Homecare of West Tennessee	6/11/84	1,960	0	0.0%	50,992	0	0.0%	0	0	0.0%	\$9,859,992	\$0	0.0%
19694	Davidson	Willowbrook Home Health Care Agency	10/29/81	1,960	0	0.0%	50,992	0	0.0%	0	0	0.0%	\$9,859,992	\$0	0.0%
TOTALS & PERCENT TENNCARE				106,708	6,682	6.3%	1,363,883	160,512	11.8%	2,803,820	2,265,176	78.0%	\$298,746,094	\$75,377,717	25.2%

TennCare Utilization of Maxxim Healthcare Services in Tennessee

TennCare Utilization of Maxim Healthcare Services in Tennessee														
Health Statistics ID	Agency County	Agency Name	Total Agency Patients	Total TennCare Patients	TennCare % of Total Patients	Total Agency Visits	TennCare Visits	TennCare % of Total Visits	Total Agency Hours	TennCare Hours	TennCare % of Total Hours	Total Gross Revenue	TennCare Gross Revenue	TennCare % of Gross Revenue
33433	Hamilton	Maxim Healthcare Services	113	93	82.3%	515	110	21.4%	176,315	173,885	98.6%	\$6,004,439	\$5,906,015	98.4%
47432	Knox	Maxim Healthcare Services	308	256	83.1%	666	479	71.9%	617,763	576,934	93.4%	\$21,107,824	\$19,642,133	93.1%
79536	Shelby	Maxim Healthcare Services	266	218	82.0%	2,303	2,303	100.0%	508,023	102,334	20.1%	\$16,716,998	\$16,011,723	95.8%
90141	Washington	Maxim Healthcare Services	27	26	96.3%	0	0	0.0%	60,709	54,885	90.4%	\$2,089,000	\$1,861,864	89.1%
19704	Williamson	Maxim Healthcare Services	255	222	87.1%	933	498	53.4%	535,300	504,511	94.2%	\$19,304,514	\$17,853,105	92.4%
STATEWIDE TOTALS			969	815	84.1%	4,417	3,390	76.7%	1,696,110	1,432,549	74.4%	\$65,222,775	\$61,256,840	93.9%

Source: NHA Joint Ann. Reports, 2017. From page 11, tools by revenue source.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three years and the projected annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

Historic Utilization 2015-2017

Table Need-6: Utilization of Maxim Health Services (Middle Tennessee) 2015-2017			
	2015	2016	2017
Patients	37	210	231
Visits	18	31,112	933
Hours	9,494	391,385	535,300

Source: Joint Annual Reports.

Note: JAR is fiscal year ending June 30; Historic Data Chart is calendar year data and will not match this table's data.

Projected Utilization 2019-2020

The tables on the following pages project utilization from the proposed service area, in terms of patients, visits, hours, payor mix, and age cohorts. In making the projections, Maxim estimates that it will serve 18 patients in Year One and 36 patients in Year Two. This was based on Maxim's startup experience in several Tennessee markets.

Projected patients, visits, and hours were estimated at 90% TennCare/Medicaid, 10% commercial, and none from Medicare, private pay, TRICARE, home and community based waiver programs, or other sources.

Skilled nursing and Aide FTE's were allocated to disciplines at 80% and 20%, respectively.

Payor mix of gross revenue was estimated at 88% TennCare/Medicaid and 12% Commercial.

Table Need-6A: Projected Utilization from Proposed Counties						
Year One (2019)						
Counties	Patients			Total (Rounded)	Visits	Hours
	Intermittent	Private Duty				
Bedford	1.0	2.0		3	163.4	6,100.4
Cannon	0.5	1.0		2	46.8	1,748.7
Coffee	1.0	2.0		3	182.4	6,809.6
DeKalb	0.5	1.0		2	63.8	2,381.6
Hickman	0.5	1.0		2	86.2	3,217.8
Marshall	0.5	1.0		2	108.9	4,066.2
Maury	2.0	4.0		6	284.5	10,619.6
Service Area Total	6.0	12.0		18	936.0	34,944.0
** Visits are based on 3 visits per patient each week x 52 weeks; PDN Hours are based 56 per patient X 52 weeks						
Year Two (2020)						
Counties	Patients			Total (Rounded)	Visits	Hours
	Intermittent	Private Duty				
Bedford	2.0	4.0		6	324.4	12,111.9
Cannon	1.0	2.0		3	92.6	3,458.7
Coffee	2.0	4.0		6	361.3	13,488.1
DeKalb	1.0	2.0		3	126.2	4,709.9
Hickman	1.0	2.0		3	170.8	6,378.2
Marshall	1.0	2.0		3	216.3	8,076.3
Maury	4.0	8.0		12	580.3	21,664.9
Service Area Total	12.0	24.0		36	1,872.0	69,888.0

Source: Maxim management. Patients, visits and hours allocated to counties in proportion to population.

Service Area Population Tenn Dept of Health			
County	2019 Population	Percent of Total Population	
Bedford	51,420	17.5%	
Cannon	14,740	5.0%	
Coffee	57,398	19.5%	
DeKalb	20,074	6.8%	
Hickman	27,123	9.2%	
Marshall	34,274	11.6%	
Maury	89,512	30.4%	
Total	294,541	100.0%	
County	2020 Population	Percent of Total Population	
Bedford	51,961	17.3%	
Cannon	14,838	4.9%	
Coffee	57,865	19.3%	
DeKalb	20,206	6.7%	
Hickman	27,363	9.1%	
Marshall	34,648	11.6%	
Maury	92,944	31.0%	
Total	299,825	100.0%	

Table Need-6B: Projected Utilization from Proposed Counties, By Discipline						
Discipline	Year One (2019)			Year Two (2020)		
	Patients	Visits	Hours	Patients	Visits	Hours
Skilled Nursing	14.0	936.0	23,296.0	28.0	1,872.0	46,592.0
Aide	4.0	0.0	11,648.0	8.0	0.0	23,296.0
Medical/Social	0.0	0.0	0.0	0.0	0.0	0.0
Therapies (all)	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total	18.0	936.0	34,944.0	36.0	1,872.0	69,888.0

Source: Maxim Management

Assumes Maxim directly provides only PDN and Aide, at 80% and 20% allocation respectively, across patients, visits, hours (Maxim Statewide average per Maxim).

Table Need 6-C: Projected Utilization from Proposed Total Service Area, By Age and Discipline (Revised on Supplemental)

Year One (2019)															
Discipline	Pediatric 0-17 Yrs (70%)			Adult 18-64 Yrs (25%)			Adult 65-74 Yrs (5%)			Adult 75+ Yrs (0%)			Totals (100.0%)		
	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours
Skilled Nursing	10.1	524.2	19,568.6	3.6	187.2	6,988.8	0.7	37.4	1,397.8	0.0	0.0	0.0	14.4	748.8	27,955.2
Aide	2.5	2.5	4,892.2	0.9	46.8	1,747.2	0.2	9.4	349.4	0.0	#REF!	0.0	3.6	187.2	6,988.8
Medical/Social	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Therapies (all)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	12.6	526.7	24,460.8	4.5	234.0	8,736.0	0.9	46.8	1,747.2	0.0	0.0	0.0	18.0	936.0	34,944.0
Year Two (2020)															
Discipline	Pediatric 0-17 Yrs (70%)			Adult 18-64 Yrs (25%)			Adult 65-74 Yrs (5.0%)			Adult 75+ Yrs (0%)			Totals (100.0%)		
	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours
Skilled Nursing	20.2	1,048.3	39,137.3	7.2	780.0	13,977.6	1.5	156.0	2,795.5	0.0	0.0	0.0	28.8	1,497.6	55,910.4
Aide	5.0	262.1	9,784.3	1.8	0.0	3,494.4	0.4	0.0	698.9	0.0	0.0	0.0	7.2	374.4	13,977.6
Medical/Social	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Therapies (all)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	25.2	1,310.4	48,921.6	9.0	780.0	17,472.0	1.9	156.0	3,494.4	0.0	0.0	0.0	36.0	1,872.0	69,888.0

Source: Maxim management. Age Cohort percentages reflect Maxim Middle Tennessee experience. Yr Two rounding of small numbers causes Total patients across to add to 36.1. Vertical total utilized. Totals spread among age cohorts using Maxim Statewide experience. See work tables below. Cohort totals allocated 80% to skilled nursing, 20% to aide.

March 26, 2018

Service Area Population Tenn Dept of Health			
County	2019 Population	Percent of Total Population	
Bedford	51,420	17.5%	
Cannon	14,740	5.0%	
Coffee	57,398	19.5%	
DeKalb	20,074	6.8%	
Hickman	27,123	9.2%	
Marshall	34,274	11.6%	
Maury	89,512	30.4%	
Total	294,541	100.0%	

**Table Need-6D (Page Two): Projected Utilization from Proposed Counties
(Supplemental Table)**

Year One (2019)						
Counties	Patients			Total (Rounded)	Visits	Hours
	Intermittent	Private Duty				
Bedford	1.0	2.0		3	163.4	6,100.4
Cannon	0.5	1.0		2	46.8	1,748.7
Coffee	1.0	2.0		3	182.4	6,809.6
DeKalb	0.5	1.0		2	63.8	2,381.6
Hickman	0.5	1.0		2	86.2	3,217.8
Marshall	0.5	1.0		2	108.9	4,066.2
Maury	2.0	4.0		6	284.5	10,619.6
Service Area Total	6.0	12.0		18	936.0	34,944.0
*** Visits are based on 3 visits per patient each week x 52 weeks; PDN Hours are based 56 per patient X 52 weeks						
Year Two (2020)						
Counties	Patients			Total (Rounded)	Visits	Hours
	Intermittent	Private Duty				
Bedford	2.0	4.0		6	324.4	12,111.9
Cannon	1.0	2.0		3	92.6	3,458.7
Coffee	2.0	4.0		6	361.3	13,488.1
DeKalb	1.0	2.0		3	126.2	4,709.9
Hickman	1.0	2.0		3	170.8	6,378.2
Marshall	1.0	2.0		3	216.3	8,076.3
Maury	4.0	8.0		12	580.3	21,664.9
Service Area Total	12.0	24.0		36	1,872.0	69,888.0

Source: Maxim management. Patients, visits and hours allocated to counties in proportion to population.

M.

Table Need-6E: Projected Utilization from Proposed Total Service Area, By Discipline						
Discipline	Year One (2019)			Year Two (2020)		
	Patients	Visits	Hours	Patients	Visits	Hours
Skilled Nursing	249.0	2,184.0	691,891.0	292.0	3,120.0	803,712.0
Aide	62.0	0.0	172,973.0	73.0	0.0	200,928.0
Medical/Social	0.0	0.0	0.0	0.0	0.0	0.0
Therapies (all)	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total	311.0	2,184.0	864,864.0	365.0	3,120.0	1,004,640.0

Table Need 6-F: Projected Utilization from Proposed Total Service Area, By Age and Discipline

Table Need 6-F: Projected Utilization from Proposed Total Service Area, By Age and Discipline																
Year One (2019)																
Discipline	Pediatric 0-17 Yrs (70%)			Adult 18-64 Yrs (25%)			Adult 65-74 Yrs (5%)			Adult 75+ Yrs (0%)			Totals (100.0%)			
	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	
Skilled Nursing	173.6	1,529.0	484,324.0	62.0	546.0	172,973.0	12.4	109.0	34,595.0	0.0	0.0	0.0	248.0	2,184.0	691,892.0	
Aide	44.1	0.0	121,081.0	15.8	0.0	43,243.0	3.2	0.0	8,648.0	0.0	0.0	0.0	63.0	0.0	172,972.0	
Medical/Social	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Therapies (all)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total	217.7	1,529.0	605,405.0	77.8	546.0	216,216.0	15.6	109.0	43,243.0	0.0	0.0	0.0	311.0	2,184.0	864,864.0	
Year Two (2020)																
Discipline	Pediatric 0-17 Yrs (70%)			Adult 18-64 Yrs (25%)			Adult 65-74 Yrs (2.9%)			Adult 75+ Yrs (0%)			Totals (100.0%)			
	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	Patients	Visits	Hours	
Skilled Nursing	204.0	2,184.0	562,598.0	73.0	780.0	200,928.0	15.0	156.0	40,186.0	0.0	0.0	0.0	292.0	3,120.0	803,712.0	
Aide	51.0	0.0	140,650.0	18.0	0.0	50,232.0	4.0	0.0	10,046.0	0.0	0.0	0.0	73.0	0.0	200,928.0	
Medical/Social	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Therapies (all)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total	255.0	2,184.0	703,248.0	91.0	780.0	251,160.0	19.0	156.0	50,232.0	0.0	0.0	0.0	365.0	3,120.0	1,004,640.0	

Source: Maxim management. Age Cohort percentages reflect Maxim Middle Tennessee experience.

Exhibit Two totals spread among age cohorts using Maxim Statewide experience. See work tables below. Cohort totals allocated 80% to skilled nursing, 20% to aide.

Table Need-6G: Maxim Projected Payor Mix on Gross Revenues (Billings) Year One

Year One (2019)										
	Medicare (All Types)	%	TennCare / Medicaid	%	Commercial	%	Self Pay	%	Other	Total (100%)
Patients	0	0.0%	16,20	90.0%	1.80	10.0%	0.00	0.0%	0.0	18
Visits	0	0.0%	842	90.0%	94	10.0%	0	0.0%	0.0	936
Hours	0	0.0%	31,450	90.0%	3,494	10.0%	0	0.0%	0.0	34,944
Gross Revenue	\$0	0.0%	\$909,814	88.0%	\$124,066	12.0%	0	0.0%	0.0	1,033,880
Gross Rev/Hr	\$0		\$29		\$36		0		0.0	30
Gross Revenue/Pat	\$0		\$56,161		\$68,926		0		0.0	57,438
Year Two (2020)										
	Medicare (All Types)	%	TennCare / Medicaid	%	Commercial	%	Self Pay	%	Other	Total (100%)
Patients	0	0.0%	32,40	90.0%	3.60	10.0%	0.00	0.0%	0.0	36
Visits	0	0.0%	1,685	90.0%	187	10.0%	0	0.0%	0.0	1,872
Hours	0	0.0%	62,899	90.0%	6,989	10.0%	0	0.0%	0.0	69,888
Gross Revenue	\$0	0.0%	1,819,630	88.0%	\$248,131	12.0%	0	0.0%	\$0	2,067,761
Gross Rev/Hr	\$0	0.0%	29	90.0%	\$36	10.0%	0	0.0%	\$0	30
Gross Revenue/Pat	\$0	0.0%	56,161	90.0%	\$68,925	10.0%	0	0.0%	\$0	57,438

Source: Maxim management. Very small numbers are shown to two decimal places to clarify that they add to the total columns.

TennCare hourly at \$46; commercial hourly at \$46.

Note: TennCare requires its TennCare providers to have a Medicare provider number. But Maxim is a private duty company that has committed not to compete with other home health agencies for Medicare patients. Maxim will serve one Medicare-age patient per year (one with commercial insurance) to maintain a Medicare provider number; but the secondary insurance will pay and Medicare will not—hence no Medicare revenue is projected in the P&L. The single Medicare eligible patient is in the "commercial" columns in the tables above.

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.

A. All projects should have a project cost of at least \$15,000 (the minimum CON Filing Fee), (See application instructions for Filing Fee.)

B. The cost of any lease, The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.

C. The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.

The Project Cost Chart follows this page.

D. Complete the Square Footage Chart on page 8 and provide the documentation. Please note the Total Construction Cost reported on line 5 of the Project Cost Chart should equal the Total Construction Cost reported on the Square Footage Chart.

Not applicable because the project requires no construction.

E. For projects that include new construction, modification, and/or renovation documentation must be provided from a licensed architect or construction professional that support the estimated construction costs. Provide a letter that includes the following:

- 1) A general description of the project;
- 2) An estimate of the cost to construct the project; and
- 3) A description of the status of the site's suitability for the proposed project;
- 4) Attesting the physical environment will conform to applicable federal standards, manufacturer's specifications and licensing agencies' requirements including the AIA Guidelines for Design and Construction of Hospital and Health Care Facilities in current use by the licensing authority.

Not applicable. No construction is required.

PROJECT COST CHART--MAXIM MIDDLE TENNESSEE EXPANSION

MAR 14 10 41:45

A. Construction and equipment acquired by purchase:

1. Architectural and Engineering Fees	\$	0
2. Legal, Administrative, Consultant Fees (Excl CON Filing Fee)		75,000
3. Acquisition of Site		0
4. Preparation of Site		0
5. Total Construction Cost		0
6. Contingency Fund		0
7. Fixed Equipment (Not included in Construction Contract)		0
8. Moveable Equipment (List all equipment over \$50,000 as separate attachment)		0
9. Other (Specify) _____		0

B. Acquisition by gift, donation, or lease:

1. Facility (inclusive of building and land)		0
2. Building only		0
3. Land only		0
4. Equipment (Specify) _____		0
5. Other (Specify) _____		0

C. Financing Costs and Fees:

1. Interim Financing		0
2. Underwriting Costs		0
3. Reserve for One Year's Debt Service		0
4. Other (Specify) _____		0

D. Estimated Project Cost
(A+B+C)

75,000

E. CON Filing Fee

15,000

F. Total Estimated Project Cost (D+E)

TOTAL \$ 90,000

Actual Capital Cost
Section B FMV90,000
0

2. Identify the funding sources for this project.

Check the applicable item(s) below and briefly summarize how the project will be financed. (Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.)

☐ **A. Commercial Loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;**

☐ **B. Tax-Exempt Bonds--copy of preliminary resolution or a letter from the issuing authority, stating favorable contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;**

☐ **C. General Obligation Bonds--Copy of resolution from issuing authority or minutes from the appropriate meeting;**

☐ **D. Grants--Notification of Intent form for grant application or notice of grant award;**

☒ **E. Cash Reserves--Appropriate documentation from Chief Financial Officer; or**

☐ **F. Other--Identify and document funding from all sources.**

The cost of this project is limited to the cost of the CON process. The expenditure of these funds has been authorized by the applicant's corporate office, as documented by a commitment letter from Maxim management, in Attachment B-Economic Feasibility-2.

3. Complete Historical Data Charts on the following pages--Do not modify the Charts or submit Chart substitutions!

Historical Data Chart represents revenue and expense information for the last three (3) years for which complete data is available. Provide a Chart for the total facility and Chart just for the services being presented in the proposed project, if applicable. Only complete one chart if it suffices.

Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

The Historic Data Chart for Maxim Healthcare Services (Middle Tennessee) is provided on the following pages.

HISTORICAL DATA CHART –NASHVILLE

Give information for the last three (3) years for which complete data are available for the facility or agency.

The fiscal year begins in January.

		Year 2015	Year 2016	Year 2017
A. Utilization Data	PATIENTS	143	232	275
	(Specify unit or measure)			
	HOURS	342,355	493,980	573,306
	VISITS	2,195	1,625	1,907
B. Revenue from Services to Patients				
1. Inpatient Services		\$ 12,907,624	\$ 18,306,723	\$ 20,862,714
2. Outpatient Services				
3. Emergency Services				
4. Other Operating Revenue				
(Specify) See notes page				
Gross Operating Revenue		\$ 12,907,624	\$ 18,306,723	\$ 20,862,714
C. Deductions from Gross Operating Revenue				
1. Contractual Adjustments		\$	\$	\$
2. Provision for Charity Care				
3. Provisions for Bad Debt		155,991	301,430	133,124
Total Deductions		\$ 155,991	\$ 301,430	\$ 133,124
NET OPERATING REVENUE		\$ 12,751,634	\$ 18,005,293	\$ 20,729,590
D. Operating Expenses				
1. Salaries and Wages				
a. Clinical		\$ 7,839,160	\$ 11,089,738	\$ 12,734,447
b. Non-Clinical		827,684	1,170,890	1,344,544
2. Physicians Salaries and Wages				
3. Supplies		73,128	87,037	78,151
4. Rent				
a. Paid to Affiliates				
b. Paid to Non-Affiliates		86,031	219,325	216,470
5. Management Fees				
a. Paid to Affiliates				
b. Paid to Non-Affiliates				
6. Other Operating Expenses	See notes page.	1,336,649	\$ 1,829,789	\$ 1,804,125
Total Operating Expenses		\$ 10,162,651	14,396,780	16,177,736
E. Earnings Before Interest, Taxes, and Depreciation		\$ 2,588,983	3,608,513	4,551,853
F. Non-Operating Expenses				
1. Taxes		\$ 1,370,232	1,997,089	2,256,762
2. Depreciation		22,070	52,124	59,968
3. Interest		61,491	67,093	74,357
4. Other Non-Operating Expenses				
Total Non-Operating Expenses		\$ 1,453,793	\$ 2,116,306	\$ 2,391,088
NET INCOME (LOSS)		\$ 1,135,191	\$ 1,492,207	\$ 2,160,766

Chart Continues Onto Next Page

Year 2015

March 26, 2018

Year 2017

9:52 A.M.

NET INCOME (LOSS)

	Year 2015	Year 2016	Year 2017
NET INCOME (LOSS)	\$ 1,135,191	\$ 1,492,207	\$ 2,160,766

G. Other Deductions

1. Annual Principal Debt Repayment
2. Annual Capital Expenditure

	Year 2015	Year 2016	Year 2017
1. Annual Principal Debt Repayment	\$	\$	\$
2. Annual Capital Expenditure			

	Year 2015	Year 2016	Year 2017
Total Other Deductions	\$ 0	\$ 0	\$ 0

	Year 2015	Year 2016	Year 2017
NET BALANCE	\$ 1,135,191	\$ 1,492,207	\$ 2,160,766

	Year 2015	Year 2016	Year 2017
DEPRECIATION	\$ 22,070	\$ 52,124	\$ 59,968

	Year 2015	Year 2016	Year 2017
FREE CASH FLOW (Net Balance + Depreciation)	\$ 1,157,260	1,544,331	2,220,734

X TOTAL FACILITY

O PROJECT ONLY

HISTORICAL DATA CHART – OTHER EXPENSES

OTHER EXPENSES CATEGORIES

	Year 2015	Year 2016	Year 2017
1. SG&A	\$ 237,907	\$ 275,410	\$ 274,535
2. Regional Support	356,093	343,025	284,646
3. Corporate Support	742,649	1,211,354	1,244,944
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
Total Other Expenses	\$ 1,336,649	\$ 1,829,789	\$ 1,804,125

3. Complete Projected Data Charts on the following pages – *Do not modify the Charts provided or submit Chart substitutions!*

The Projected Data Chart requests information for the two years following the completion of the proposed services that apply to the project. Please complete two Projected Data Charts. One Projected Data Chart should reflect revenue and expense projections for the *Proposal Only* (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility). The second Chart should reflect information for the total facility. Only complete one chart if it suffices.

Note that “Management Fees to Affiliates” should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. “Management Fees to Non-Affiliates” should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

Projected Data Charts are provided on the following pages for (a) Maxim Healthcare Services in the proposed 7 counties; and (b) Maxim Healthcare Services operations when expanded to 16 counties.

PROJECTED DATA CHART —NASHVILLE / ONLY PROPOSED ADDITIONAL COUNTIES

Give information for the last three (3) years for which complete data are available for the facility or agency.

The fiscal year begins in January.

		Year 2019 (Year One)	Year 2020 (Year Two)
A.	Utilization Data		
	(Specify unit or measure)		
	PATIENTS	18	36
	HOURS	34,944	69,888
	VISITS	936	1,872
B.	Revenue from Services to Patients		
1.	Inpatient Services	\$ 954,320	\$ 1,908,641
2.	Outpatient Services		
3.	Emergency Services		
4.	Other Operating Revenue	79,560	159,120
	(Specify) See notes page		
	Gross Operating Revenue	\$ 1,033,880	\$ 2,067,761
C.	Deductions from Gross Operating Revenue		
1.	Contractual Adjustments	\$	\$
2.	Provision for Charity Care		
3.	Provisions for Bad Debt	6,597	13,194
	Total Deductions	\$ 6,597	\$ 13,194
	NET OPERATING REVENUE	\$ 1,027,283	\$ 2,054,567
D.	Operating Expenses		
1.	Salaries and Wages		
a.	Clinical	\$ 631,073	\$ 1,262,146
b.	Non-Clinical	66,631	133,261
2.	Physicians Salaries and Wages		
3.	Supplies	\$ 3,873	\$ 7,746
4.	Rent	\$	\$
a.	Paid to Affiliates		
b.	Paid to Non-Affiliates		
5.	Management Fees		
a.	Paid to Affiliates		
b.	Paid to Non-Affiliates		
6.	Other Operating Expenses	89,406	178,812
	See notes page		
	Total Operating Expenses	\$ 790,982	\$ 1,581,965
E.	Earnings Before Interest, Taxes, and Depreciation	\$ 236,301	\$ 472,601
F.	Non-Operating Expenses		
1.	Taxes	\$ 111,837	\$ 223,674
2.	Depreciation	2,972	5,944
3.	Interest	3,685	7,370
4.	Other Non-Operating Expenses		
	Total Non-Operating Expenses	\$ 118,494	\$ 236,987
	NET INCOME (LOSS)	\$ 117,807	\$ 235,614

Chart Continues Onto Next Page

March 26, 2018

Year 2019

Year 2020

9:52 A.M.**NET INCOME (LOSS)**

\$	<u>117,807</u>	\$	<u>235,614</u>
----	----------------	----	----------------

G. Other Deductions

1. Annual Principal Debt Repayment
2. Annual Capital Expenditure

\$	<u> </u>	\$	<u> </u>
----	-------------------	----	-------------------

Total Other Deductions	\$	<u>0</u>	\$	<u>0</u>
-------------------------------	----	----------	----	----------

NET BALANCE	\$	<u>117,807</u>	\$	<u>235,614</u>
--------------------	----	----------------	----	----------------

DEPRECIATION	\$	<u>2,972</u>	\$	<u>5,944</u>
---------------------	----	--------------	----	--------------

FREE CASH FLOW (Net Balance + Depreciation)	\$	<u>120,779</u>	\$	<u>241,558</u>
--	----	----------------	----	----------------

☐ TOTAL FACILITY☒ PROJECT ONLY**PROJECTED DATA CHART -- OTHER EXPENSES****OTHER EXPENSES CATEGORIES**

Year 2019

Year 2020

1.	<u>SG&A</u>	\$	<u>13,605</u>	\$	<u>27,210</u>
2.	<u>Regional Support</u>		<u>14,106</u>		<u>28,212</u>
3.	<u>Corporate Support</u>		<u>61,695</u>		<u>123,390</u>
4.	<u> </u>		<u> </u>		<u> </u>
5.	<u> </u>		<u> </u>		<u> </u>
6.	<u> </u>		<u> </u>		<u> </u>
7.	<u> </u>		<u> </u>		<u> </u>
8.	<u> </u>		<u> </u>		<u> </u>
9.	<u> </u>		<u> </u>		<u> </u>
10.	<u> </u>		<u> </u>		<u> </u>
11.	<u> </u>		<u> </u>		<u> </u>
12.	<u> </u>		<u> </u>		<u> </u>
13.	<u> </u>		<u> </u>		<u> </u>
14.	<u> </u>		<u> </u>		<u> </u>
15.	<u> </u>		<u> </u>		<u> </u>
	Total Other Expenses	\$	<u>89,406</u>	\$	<u>178,812</u>

PROJECTED DATA CHART - NASHVILLE WITH PROJECT INCLUDED

Give information for the last three (3) years for which complete data are available for the facility or agency.

The fiscal year begins in January.

		Year 2019 (Year One)	Year 2020 (Year Two)
A.	Utilization Data		
	(Specify unit or measure)		
	PATIENTS	311	365
	HOURS	864,864	1,004,640
	VISITS	2,184	3,120
B.	Revenue from Services to Patients		
1.	Inpatient Services	\$ 23,619,435	\$ 27,436,718
2.	Outpatient Services		
3.	Emergency Services		
4.	Other Operating Revenue		
	(Specify) See notes page		
	Gross Operating Revenue	\$ 23,619,435	\$ 27,436,718
C.	Deductions from Gross Operating Revenue		
1.	Contractual Adjustments	\$	\$
2.	Provision for Charity Care		
3.	Provisions for Bad Debt	150,715	175,073
	Total Deductions	\$ 150,715	\$ 175,073
	NET OPERATING REVENUE	\$ 23,468,720	\$ 27,261,645
D.	Operating Expenses		
1.	Salaries and Wages		
a.	Clinical	\$ 14,417,129	\$ 16,747,170
b.	Non-Clinical	1,522,207	1,768,220
2.	Physicians Salaries and Wages		
3.	Supplies	88,478	102,777
4.	Rent		
a.	Paid to Affiliates		
b.	Paid to Non-Affiliates	413,663	424,014
5.	Management Fees		
a.	Paid to Affiliates		
b.	Paid to Non-Affiliates		
6.	Other Operating Expenses See notes page	2,042,515	2,372,619
	Total Operating Expenses	\$ 18,483,992	\$ 21,414,800
E.	Earnings Before Interest, Taxes, and Depreciation	\$ 4,984,728	\$ 5,846,845
F.	Non-Operating Expenses		
1.	Taxes	\$ 2,554,962	\$ 2,967,886
2.	Depreciation	67,892	78,864
3.	Interest	84,183	97,788
4.	Other Non-Operating Expenses		
	Total Non-Operating Expenses	\$ 2,707,037	\$ 3,144,538
	NET INCOME (LOSS)	\$ 2,277,691	\$ 2,702,307

Chart Continues Onto Next Page

March 26, 2018
 Year 2019 Year 2020
9:52 A.M.

NET INCOME (LOSS)	\$	<u>2,277,691</u>	\$	<u>2,702,307</u>
G. Other Deductions				
1. Annual Principal Debt Repayment	\$	<u> </u>	\$	<u> </u>
2. Annual Capital Expenditure		<u> </u>		<u> </u>
Total Other Deductions	\$	<u>0</u>	\$	<u>0</u>
NET BALANCE	\$	<u>2,277,691</u>	\$	<u>2,702,307</u>
DEPRECIATION	\$	<u>67,892</u>	\$	<u>78,864</u>
FREE CASH FLOW (Net Balance + Depreciation)	\$	<u>2,345,583</u>	\$	<u>2,781,171</u>

X TOTAL FACILITY

O PROJECT ONLY

PROJECTED DATA CHART – OTHER EXPENSES**OTHER EXPENSES CATEGORIES**

	Year 2019	Year 2020
1. <u>SG&A</u>	\$ <u>310,811</u>	\$ <u>361,043</u>
2. <u>Regional Support</u>	<u>322,258</u>	<u>374,340</u>
3. <u>Corporate Support</u>	<u>1,409,446</u>	<u>1,637,236</u>
4. <u> </u>	<u> </u>	<u> </u>
5. <u> </u>	<u> </u>	<u> </u>
6. <u> </u>	<u> </u>	<u> </u>
7. <u> </u>	<u> </u>	<u> </u>
8. <u> </u>	<u> </u>	<u> </u>
9. <u> </u>	<u> </u>	<u> </u>
10. <u> </u>	<u> </u>	<u> </u>
11. <u> </u>	<u> </u>	<u> </u>
12. <u> </u>	<u> </u>	<u> </u>
13. <u> </u>	<u> </u>	<u> </u>
14. <u> </u>	<u> </u>	<u> </u>
15. <u> </u>	<u> </u>	<u> </u>
Total Other Expenses	\$ <u>2,042,515</u>	\$ <u>2,372,619</u>

March 26, 2018

9:52 A.M.

5.A. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Projected Data Chart for Year 1 and Year 2 of the proposed project. Please complete the following table.

Table Economic Feasibility 5A : Maxim Healthcare Services (Middle Tennessee) Average Charges per Visit and Per Hour					
	Project Previous Year	Project Current Year	Project Year One	Project Year Two	% Change (Current Yr to Yr2)
Gross Charge -- Gross Operating Revenue / PATIENT & VISIT	NA	NA	\$57,438/patient \$85/visit	\$57,438/patient \$85/visit	0%
Deduction from Revenue - -Total Deductions / PATIENT & VISIT	NA	NA	\$366.50/patient \$7.05/visit	\$366.50/patient \$7.05/visit	0%
Average Net Charge -- Net Operating Revenue / PATIENT & VISIT	NA	NA	\$57,071/patient \$1097.52/visit	\$57,071/patient \$1097.52/visit	0%

B. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

Table Economic Feasibility 5B: Maxim Healthcare Services (Middle Tennessee) Average Charges per Visit and Per Hour			
Average Charge Per Visit		Average Charge Per Hour	
Skilled Nursing	Aide	Skilled Nursing	Aide
\$85.00	\$0	\$37.00	\$20.00

The revenue from the project is set forth in its Projected Data Chart in a prior section of the application. The addition of the counties involves no capital expenditures that will create debt service; and sufficient new revenues will be generated to offset the addition of clinical FTE's to provide homecare services.

C. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Table Economic Feasibility 5C: Cost & Charge Comparisons With Service Area Agencies That Provide Similar Services								
Agency*	Cost Per Visit		Charge Per Visit		Cost Per Hour		Charge Per Hour	
	Skilled Nursing	HH Aide	Skilled Nursing	HH Aide	Skilled Nursing	HH Aide	Skilled Nursing	HH Aide
1	NR	NR	\$79	\$40	No JAR data is reported for this.		\$35	\$22
2	NR	NR	\$101	\$46			\$80	\$35
3	NR	NR	\$150	\$75			\$40	\$30
4	NR	NR	NR	NR			\$40	\$23
							NR	NR
Maxim State Average 2017	\$58	\$18	\$85	\$50			\$23.50	\$13
2018 Medicare Reimb'mt	0	0	0	0	0	0	0	0
Maxim Proposed Agency 2019	\$58	\$18	\$85	\$50	\$23.50	\$13	\$40	\$25

Source: 2017 Joint Annual Reports; Maxim management.

*Key to Agencies:

1. Elk Valley Health Services
2. CareAll
3. Quality First
4. Maury Regional

Table Economic Feasibility 5CD: Cost Per Visit and Per Patient		
	Year One--2019	Year Two--2020
Patients	18	36
Total Visits	936	1,870
Skilled Nursing Visits (80%)	936	1870
Cost per Skilled Visit	\$57.72	\$57.72
Total Cost, Skilled Visits	\$54,021	\$108,043
Home Health Aide Visits (20%)	n/a	n/a
Cost per HH Aide Visit	n/a	n/a
Total Cost, Aide Visits	n/a	n/a
Total Cost, RN and Aide Visits	\$701,576	\$1,403,153
Total Cost Per Patient	\$38,976	\$38,976

Source: Maxim management.

6.A. Discuss how projected utilization rates will be sufficient to support the financial performance. Indicate when the project's financial breakeven is expected and demonstrate the availability of sufficient cash flow until financial viability is achieved.

Staffing can be flexed up or down to meet fluctuating demand for care. So at any level of utilization, this proposed expansion of service area will not cause operating losses. The agency has a positive cash flow currently, and the addition of new service area counties will not adversely impact that. The project will be financially viable from the outset.

Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For all projects, provide financial information for the corporation, partnership, or principal parties that will be a source of funding for the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility. NOTE: Publicly held entities only need to reference their SEC filings.

See Attachment Section B-Economic Feasibility-6A. Maxim's local agency does not prepare balance sheets; balance sheets are produced at the company's home office and do not pertain to individual agencies. The attachment includes the local agency's income statement, and audited financial statements for the parent company.

B. Net Operating Margin Ratio – Demonstrates how much revenue is left over after all the variable or operating costs have been paid. The formula for this ratio is: (Earnings before interest, Taxes, and Depreciation/Net Operating Revenue).

Utilizing information from the Historical and Projected Data Charts please report the net operating margin ratio trends in the following table:

For the Middle Tennessee Agency:

	2 nd Yr Previous to Current Yr	1 st Yr Previous to Current Yr	Current Yr	Projected Yr 1	Projected Yr 2
Net Operating Margin Ratio	20.04%	22.0%	--	21.2%	21.5%

For the Project Only:

	2 nd Yr Previous to Current Yr	1 st Yr Previous to Current Yr	Current Yr	Projected Yr 1	Projected Yr 2
Net Operating Margin Ratio	NA	NA	NA	23.0%	23.0%

C. Capitalization Ratio (Long-term debt to capitalization) – Measures the proportion of debt financing in a business’s permanent (Long-term) financing mix. This ratio best measures a business’s true capital structure because it is not affected by short-term financing decisions. The formula for this ratio is: (Long-term debt/(Long-term debt + Total Equity (Net assets)) x 100).

For the entity (applicant and/or parent company) that is funding the proposed project please provide the capitalization ratio using the most recent year available from the funding entity’s audited balance sheet, if applicable. The Capitalization Ratios are not expected from outside the company lenders that provide funding.

12/31/2016

Audited Financial Statements

(in thousands)

Long Term Debt	\$45,019
Long Term Debt	\$45,019
<u>SH Equity</u>	<u>\$16,370</u>
Total	\$61,389
LT Debt to Capitalization Ratio	0.73

7. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payor classification for the first year of the project by completing the table below.

Applicant's Projected Payor Mix, Year 1		
Payor Source	Projected Gross Operating Revenue	As a Percent of Total Revenue
Medicare/Medicare Managed Care	\$	0%
TennCare/Medicaid	\$909,814	88%
Commercial/Other Managed Care	\$124,066	12%
Self-Pay	\$0	0%
Charity Care	\$0	0%
Other	\$0	0%
Total	\$1,033,880	100%

8. Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTE) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.

See the staffing table on the following page.

Table Economic Feasibility-8: Maxim Healthcare Services--Middle Tennessee Current and Projected Staffing				
Position Classification	Existing FTEs (Yr 2017)	Projected FTEs (Yr 1)	Average Wage (Contractual Rate)	Statewide Mean Wage
A. Direct Patient Care Positions				
Home Health Aide	11.00	13.0	\$20,000-\$23,000	\$20,660
Licensed Practical Nurse	160.00	172.0	\$37,000-\$42,000	\$37,920
Registered Nurse	2.00	5.0	\$42,000-\$56,000	\$58,410
Total Direct Patient Care Positions	173.00	190.00		
B. Non-Patient Care Positions				
Director Of Business Operations	1.00	1.0	\$80,000-\$85,000	not available
Director Of Clinical Operations	1.00	1.0	\$80,000 - \$85,000	not available
RN Clinical Manager	1.00	1.0	\$60,000-\$65,000	not available
Business Development Manager	2.00	2.0	\$50,000 - \$55,000	not available
Recruiter	6.00	6.0	\$38,000-\$40,000	not available
RN Clinical Supervisor	6.00	6.0	\$50,000-\$53,000	not available
Field Support Manager	1.00	1.0	\$47,500 - \$50,000	not available
Personnel Coordinator	2.00	2.0	\$27,000-\$30,000	not available
Payroll Clerk	2.00	2.0	\$27,000-\$30,000	not available
Total Non-Patient Care Positions	22.00	22.00		
Total Employees (A + B)	195.00	212.00		
C. Contractual Staff				
Total Staff (A+B+C)	195.00	212.00		

Source: Maxim management.

9. Describe all alternatives to this project that were considered and discuss the advantages and disadvantages of each alternative, including but not limited to:

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

The project addresses a need for more access to highly qualified and responsive home care for children and TennCare patients in a rural area of Tennessee. The applicant knows of no better alternative to the one proposed in this application. It is an addition to an established agency with an excellent record of service. It is supported by Middle Tennessee physicians and nurse practitioners who work daily with challenges of finding the most appropriate home care for very fragile and vulnerable children being discharged from the hospital.

B. Document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements.

No new construction is required in this project.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (i.e., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, that may directly or indirectly apply to the project, such as transfer agreements or contractual agreements for health services.

The applicant employs two full-time professionals to visit and to communicate continuously with primary care physicians, medical specialists, discharge planners at hospitals, and referral care coordinators throughout its service area. Maxim also is contacted occasionally by the Department of Children's Services.

2. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact to consumers and existing providers in the service area. Discuss any instances of competition or duplication arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

A. Positive Effects

The addition of Maxim as another choice for pediatric patients and their families will be beneficial to patient care. Currently there are 72 pediatric patients a year obtaining care from ten agencies in this area; but most of those providers do not care for more than a few such children a year (many see only one). Maxim brings a focus and a degree of training and expertise that will strengthen consumer confidence and options. This confidence is stated in the letters submitted from supporting health professionals affiliated with Children's Hospital at Vanderbilt and the Saint Thomas Rutherford Hospital and medical staff members.

B. Negative Effects

Homecare agencies operating in these seven counties served almost 9,910 residents of the area last year. It is unlikely that a specialized program like Maxim's, with only 36 patients in its second year of operation, could have any significant adverse effect on existing providers as a whole--especially since Maxim does not compete with other agencies for the Medicare patient.

Thirty-six Maxim patients would be less than one-half of 1% of the patients served in the area last year. Only ten of the 46 agencies in the area even served pediatric cases last year, serving only 72 in total. Seven of those ten agencies served only 1-6 pediatric patients, who amounted to only 0.2% to 1% of their Statewide total patients. Three of the ten served 10-22 pediatric patients, who amounted to only 0.65% to 3.21% of their Statewide total patients.

3.A Discuss the availability of an accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements and/or requirements of accrediting agencies such as the Joint Commission and the Commission on Accreditation of Rehabilitation Facilities.

Maxim is a well-established home health provider in all of Tennessee's largest urban areas, and is very familiar with requirements of the State and of its accrediting organization.

The kind of homecare that Maxim provides generates many annual hours of care by skilled nurses and aides. Maxim will be recruiting the equivalent of only 17 full time employees more than are already on staff. Having been successful in implementing five fully-staffed agencies across Tennessee in the past decade, Maxim feels confident that it can recruit the additional personnel needed for this project.

B. Verify that the applicant has reviewed and understands all licensing and/or certification as required by the State of Tennessee and/or accrediting agencies such as the Joint Commission for medical/clinical staff. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

The applicant so verifies.

C. Discuss the applicant's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

The applicant does not provide training rotations for nurses and aides in patients' homes.

4. Identify the type of licensure and certification requirements applicable and verify that the applicant has reviewed and understands them. Discuss any additional requirements, if applicable. Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: Home Health Agency license from the Tennessee Board for Licensing Health Care Facilities

Certification Type : Medicare and Medicaid certification

Accreditation: Accreditation Commission for Health Care

A. If an existing institution, describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility and accreditation designation.

The applicant is licensed in good standing with the Tennessee Department of Health, certified to participate in both Medicare and TennCare/Medicaid, and fully accredited nationally by the Accreditation Commission for Health Care.

B. For existing providers, please provide a copy of the most recent statement of deficiencies/plan of correction and document that all deficiencies/findings have been corrected, by providing a letter from the appropriate agency.

See Attachment Section B-Orderly Development-4B.

C. Document and explain inspections within the past three survey cycles which have resulted in any of the following state, federal, or accrediting body actions: suspension of admissions, civil monetary penalties, notice of 23- ore 90-day termination proceedings from Medicare or Medicaid/TennCare, revocation/denial of accreditation, or other similar actions.

(1) Discuss what measures the applicant has or will put in place to avoid similar findings in the future.

Please see responses below.

5. Respond to all of the following and for such occurrences, identify, explain, and provide documentation:

A. Has any of the following:

- (1) Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);**
- (2) Any entity in which any person(s) or entity with more than 5% ownership (direct of indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or**
- (3) Any physician or other provider of health care, or administrator employed by any entity in which any person(s) or entity with more than 5% ownership in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%...**

B. Been subjected to any of the following:

(1) Final Order or Judgment in a State licensure action;

None.

(2) Criminal fines in cases involving a Federal or State health care offense;

None to Maxim's knowledge.

(3) Civil monetary penalties in cases involving a Federal or State health care offense;

See Response to no. (4), below.

(4) Administrative monetary penalties in cases involving a Federal or State health care offense;

In answer to both nos. (3) and (4): Concord, California (\$61,000) following an immediate jeopardy citation; and Colorado Springs, Colorado (\$77,169.30) following an immediate jeopardy citation. Both offices are now back in substantial compliance. Also, Maxim failed to timely renew its license in South Bend, Indiana resulting in a fine of \$2,000.

(5) Agreement to pay civil or monetary penalties to the Federal government or any State in cases involving claims related to the provision of health care items and services; and/or

None.

(6) Suspension or termination of participation in Medicare or Medicaid/TennCare programs;

None.

(7) Is presently subject of/to an investigation, regulatory action, or party in any civil or criminal action of which you are aware;

(a) MassHealth Self-Disclosure (October 2017): \$14 million concerning misinterpretation of billing regulation; (b) New York VNA Self-Disclosure (February 2018) concerning billing without complete frequency and duration orders; (3) Columbus, Georgia Self-Disclosure (December 2017) concerning falsification of physician's signatures and not following program-specific requirement; (4) Cincinnati, Ohio billing inquiry (August 2017); and (5) Homeland Security whistleblower subpoena for alleged retaliatory discharge (July 2017).

In addition, due to the diverse nature and geographic extent of its business, Maxim has been named in numerous civil litigation matters involving professional negligence claims and employment. Many of these claims are baseless or result in minor exposure of liability and Maxim has never exceeded its yearly aggregate professional liability insurance limits. Maxim has been named as a defendant in Tennessee in the following civil action in the past year: Moore, Juanita (deceased) v. Maxim Healthcare Services, Inc., et al., Dkt. No. 17C1369, Circuit Court of Hamilton County, Tennessee (medical malpractice action).

(8) Is presently subject to a corporate integrity agreement.

No.

6. Outstanding Projects:

- a. Complete the following chart by entering information for each applicable outstanding CON by applicant or share common ownership; and**
- b. Provide a brief description of the current progress, and status of each applicable outstanding CON.**

Not applicable; Maxim has no outstanding Certificates of Need in Tennessee.

Outstanding Projects					
			Annual Progress Report*		
CON Number	Project Name	Date Approved	Due Date	Date Filed	Expiration Date

7. Equipment Registry -- For the applicant and all entities in common ownership with the applicant.

a. Do you own, lease, operate, and/or contract with a mobile vendor for a Computed Tomography Scanner (CT), Linear Accelerator, Magnetic Resonance Imaging (MRI), and/or Positron Emission Tomographer (PET)?

No.

b. If yes, have you submitted their registration to HSDA? If you have, what was the date of the submission?

c. If yes, have you submitted their utilization to HSDA? If you have, what was the date of the submission?

Facility	Date of HSDA Registration	Date of Last Utilization Submittal

QUALITY MEASURES

Please verify that the applicant will report annually using forms prescribed by the Agency, concerning continued need and appropriate quality measures as determined by the Agency pertaining to the Certificate of Need, if approved.

The applicant so verifies.

SECTION C: STATE HEALTH PLAN QUESTIONS

T.C.A. §68-11-1625 requires the Tennessee Department of Health's Division of Health Planning to develop and annually update the State Health Plan (found at <http://www.tn.gov/health/topic/health-planning>). The State Health Plan guides the State in the development of health care programs and policies and in the allocation of health care resources in the State, including the Certificate of Need program. The **5 Principles for Achieving Better Health** are from the State Health Plan's framework and inform the Certificate of Need program and its standards and criteria.

Discuss how the proposed project will relate to the **5 Principles for Achieving Better Health** found in the State Health Plan.

1. The purpose of the State Health Plan is to improve the health of the people of Tennessee.

The timely provision of appropriate, clinically expert services to home health patients, especially to pediatric patients, is essential to support an uninterrupted continuum of care and to avoid patient deterioration and/or re-hospitalization. This project will enhance the care of complex patients, both adult and pediatrics, and afford another option for area residents who sometimes experience lack of timely care for certain type of patients with complex conditions.

2. People in Tennessee should have access to health care and the conditions to achieve optimal health.

The availability of this highly specialized home health provider in the service area will improve patient access to needed home care. The perceptions of local physicians and nurses who work with patient access issues constantly should be given maximum consideration; they are clearly stated in their support letters.

3. Health resources in Tennessee, including health care, should be developed to address the health of people in Tennessee while encouraging economic efficiencies.

The project will bring to the service area a needed new option for the care of complex cases, both pediatric and adult cases. This project provides broader access for TennCare patients as well as for complex pediatric patients, which very few of the currently authorized agencies do.

4. People in Tennessee should have confidence that the quality of health care is continually monitored and standards are adhered to by providers.

All of Maxim's Tennessee agencies are licensed, in conformity with licensure criteria, and accredited. The company has a strong quality assurance program, as well as rigorous training programs for Maxim nurses to ensure that their skills (for example, for pediatric and ventilator care patients) are superior.

To support Maxim's mission to continuously improve care and service delivery, its Quality Improvement Program provides a framework for strategies and initiatives that integrate and improve organizational performance, patient and staff safety, and the satisfaction of persons served. The Quality Improvement Program is implemented across the company, to provide a systematic, standardized process for designing, implementing, analyzing, and measuring quality improvement initiatives.

Incident Report Management is a component of the Quality Improvement Program that is designed to identify all actual or potential occurrences that have an impact on the patient, the patient's family or employees. The Incident Report is a mechanism to identify actual or potential risks that must be reduced, if not eliminated, to ensure patient safety.

All incidents are reviewed by the Quality Improvement (QI) Team and are aggregated quarterly. Recommendations may then be made to reduce the risk of subsequent incidents. Office leadership teams develop and implement quality improvement action plans, and monitor the effectiveness of implemented actions.

5. The state should support the development, recruitment, and retention of a sufficient and quality health workforce.

Maxim offers employees tuition subsidies for pursuing advanced degrees in this field and attaining academic benchmarks in those courses.

It also provides specialized training to its staffs to improve their skills. An example is Maxim's nationwide ventilator training and management program--critical because a majority of Maxim's ventilator dependent and tracheostomy patients are children and adolescents.

Nurses train under experienced nurses, respiratory therapists, and respiratory DME (durable medical equipment) providers. Training covers care of a patient with a tracheotomy, care of the ventilated patient, performance of respiratory/cardiopulmonary physical assessments, ventilator equipment types and their components, ventilator settings, troubleshooting of equipment, emergency response, and the transport of ventilators. After training, these nurses work in the field with an experienced and competent ventilator nurse before being allowed to work independently.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent.

An affidavit and copy of the relevant newspapers are in the application.

NOTIFICATION REQUIREMENTS

(Applies only to Nonresidential Substitution-Based Treatment Centers for Opiate Addiction)

Note that T.C.A. §68-11-1607(c)(3) states that "...Within ten (10) days of filing an application for a nonresidential substitution-based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the member(s) of the House of Representatives and the Senator of the General Assembly representing the district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of a municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution based treatment center for opiate addiction has been filed with the agency by the applicant."

Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.

Please provide documentation of these notifications.

See Attachment "Proof of Publication".

DEVELOPMENT SCHEDULE

T.C.A. §68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. Complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the “good cause” for such an extension.

The applicant does not request an extended period of validity.

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HSDA action on the date listed in Item 1. below, indicate the number of days from the HSDA decision date to each phase of the completion forecast.

PHASE	DAYS REQUIRED	Anticipated Date (MONTH /YEAR)
1. Initial HSDA Decision Date	0	6/27/18
1. Architectural & engineering contract signed		
2. Construction documents approved by TDH		
3. Construction contract signed		
4. Building permit secured		
5. Site preparation completed		
6. Building construction commenced		
7. Construction 40% complete		
8. Construction 80% complete		
9. Construction 100% complete		
10. * Issuance of license		
11. *Initiation of service	180	On or before 1/1/19
12. Final architectural certification of payment	na	na
13. Final Project Report Form (HF0055)	210	3/1/19

* For projects that **DO NOT** involve construction or renovation: please complete items 11-12 only.

<p>Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.</p>

MAR 14 '18 AM 11:45


AFFIDAVITSTATE OF TENNESSEECOUNTY OF DAVIDSON

JOHN WELLBORN, being first duly sworn, says that he is the lawful agent of the applicant named in this application, that this project will be completed in accordance with the application to the best of the agent's knowledge, that the agent has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete to the best of the agent's knowledge.


SIGNATURE/TITLE
CONSULTANT

Sworn to and subscribed before me this 14th day of March, 2018 a Notary
(Month) (Year)

Public in and for the County/State of DAVIDSON


NOTARY PUBLIC

My commission expires Sept 2, 2018.
(Month/Day) (Year)



INDEX OF ATTACHMENTS

Section A

A-4A	Legal Status and Ownership Structure of Applicant
A-6A	Site Control Documentation

Section B

B-Need-3	Service Area Map
B-Economic Feasibility-2	Documentation of Funding/Financing Availability
B-Economic Feasibility-6A	Applicant's Financial Statements
B-Orderly Development-4B	Licensure and Accreditation Findings and Corrections

Other Attachments

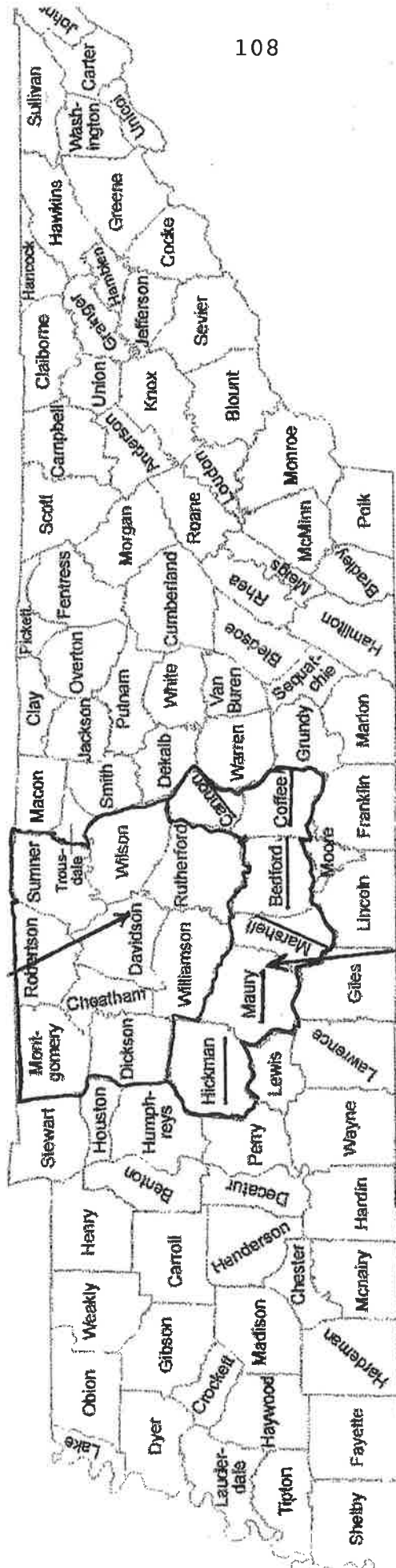
Proof of Publication

Support Letters

B-Need-3
Service Area Map

MAXIM HEALTHCARE SERVICES
CURRENT AND PROPOSED SERVICE AREA COUNTIES

NINE CURRENT COUNTIES



SIX PROPOSED NEW COUNTIES

B-Economic Feasibility--2

**Documentation of
Funding/Financing Availability**



March 12, 2018

Melanie Hill, Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: Maxim Healthcare Services Expansion Application

Dear Mrs. Hill:

Maxim Healthcare Services, Inc. is applying for Certificate of Need approval to expand its Middle Tennessee home health agency service area by the addition of seven counties.

As the Regional Controller of Maxim Healthcare Services, Inc., the owner of the applicant agency, I am writing to confirm that Maxim will provide the approximately \$90,000 of capital expenditures needed to implement this project.

Maxim Healthcare Services, Inc.'s financial statements are provided in the application to document the company's ability to fund this expense.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert Teaff", written over a horizontal line.

Robert Teaff
Regional Controller

B-Economic Feasibility-6A

Applicant's Financial Statements

Nashville and Clarksville 2017 P&L (Clarksville is branch of Nashville Parent)



0007 - Nashville
Final Profit & Loss Statement
Core Services for the One Month Ended December 31, 2017
Actuals

		December 2017	Ratio	November 2017	Ratio	December 2017 YTD	Ratio
60020	Accrued Revenue (Unbilled)	21,907.73	1.85%	-	0.00%	21,907.73	0.17%
60050	Revenue - Patient Care	1,307,704.94	98.32%	1,034,149.42	100.18%	13,075,597.39	99.88%
60075	Revenue - Medicare	-	0.00%	(400.00)	-0.04%	(600.00)	0.00%
60400	Sales Adjustments	177.06	0.01%	-	0.00%	(5,174.19)	-0.04%
60408	Sales Adjustment Provision	255.21	0.02%	(1,142.89)	-0.11%	(152.87)	0.00%
61000	Contractual Allowances/Discounts	-	0.00%	(356.10)	-0.04%	(205.57)	0.00%
Tot_Sales	Revenue	\$ 1,330,044.94	100.00%	\$ 1,032,240.63	100.00%	\$ 13,091,371.83	100.00%
70100	Direct Labor	512,924.75	38.56%	479,821.37	46.48%	6,055,671.29	46.26%
70110	Direct Labor - Vacation	2,207.55	0.17%	13,509.31	1.31%	136,444.61	1.04%
70125	External Direct Labor OT	119,982.27	9.01%	116,787.52	11.31%	1,423,318.27	10.87%
70145	MMC In-Service	2,789.72	0.21%	2,026.43	0.20%	25,199.31	0.20%
70170	External Bonus Pay	600.00	0.05%	1,100.00	0.11%	11,809.49	0.09%
70200	Accrued Direct Labor	178,273.93	13.40%	-	0.00%	25,914.05	0.20%
70300	FICA - Direct Labor	47,402.74	3.56%	45,410.61	4.40%	569,336.38	4.34%
70400	SUTA - Direct Labor	512.20	0.04%	437.69	0.04%	7,851.77	0.06%
70500	FUTA - Direct Labor	483.79	0.03%	458.24	0.04%	12,129.32	0.09%
70600	Workers Compensation Expense	38,949.99	2.93%	30,662.23	2.97%	382,859.02	2.92%
70650	G/P Liability Expense	9,348.00	0.70%	7,358.94	0.71%	91,886.19	0.70%
70908	Medical Benefit Allocation	17,264.78	1.30%	13,718.54	1.33%	168,949.14	1.29%
70910	Medical Supplies	491.57	0.04%	1,168.18	0.11%	14,510.89	0.11%
70880	Background Service Checks - Ext	2,439.15	0.18%	2,527.09	0.24%	34,108.84	0.26%
71201	TN Contract Travel Allowance	-	0.00%	-	0.00%	3.00	0.00%
71600	Nurse Mileage	-	0.00%	-	0.00%	308.00	0.00%
77000	Medical Waste	82.74	0.01%	158.86	0.02%	859.19	0.01%
77010	Awards and Recognition Program	362.19	0.03%	-	0.00%	1,528.48	0.01%
COGS	COGS	\$ 933,974.37	70.22%	\$ 715,143.91	69.28%	\$ 8,362,987.24	68.48%
Gross_Margin	Gross Profit	\$ 396,070.57	29.78%	\$ 317,096.72	30.72%	\$ 4,128,884.48	31.54%
80100	Rent Expense	14,558.78	1.09%	14,558.78	1.41%	173,693.53	1.33%
80260	Telephone	2,869.55	0.20%	1,930.85	0.19%	21,291.80	0.16%
80350	Equipment Rental	361.71	0.03%	381.71	0.04%	3,810.67	0.03%
80400	Office Supplies	2,856.12	0.21%	3,715.26	0.36%	30,260.99	0.23%
80450	Postage	-	0.00%	-	0.00%	817.89	0.01%
80470	Overnight Mail	311.78	0.02%	295.09	0.03%	2,268.90	0.02%
80490	Record Storage	77.20	0.01%	136.58	0.01%	1,818.19	0.01%
80600	Promotionals	521.78	0.04%	-	0.00%	3,282.81	0.03%
80820	Conventions	-	0.00%	-	0.00%	81.11	0.00%
80830	Job Fairs	-	0.00%	-	0.00%	69.56	0.00%
80840	Nurse Recruitment Expense	-	0.00%	-	0.00%	150.00	0.00%
80850	Advertising	-	0.00%	-	0.00%	270.80	0.00%
80870	Internet Recruitment Expense	-	0.00%	-	0.00%	843.19	0.01%
81272	Other Employee Benefits	-	0.00%	-	0.00%	2,061.94	0.02%
81050	Office Salaries/Wages	73,340.52	5.51%	66,568.18	6.44%	817,909.82	6.25%
81053	Office OT Wages	783.25	0.06%	619.73	0.06%	7,374.11	0.06%
81060	Time Off - Office Non Exempt	1,226.48	0.09%	1,650.52	0.16%	15,936.16	0.12%
81070	Salary Allocations	300.00	0.02%	300.00	0.03%	(250.00)	0.00%
81085	Bonuses	-	0.00%	36,991.09	3.58%	183,843.94	1.40%
81090	Accrued Internal Payroll	24,312.86	1.83%	-	0.00%	3,999.51	0.03%
81096	Commissions	13,011.44	0.98%	13,758.39	1.33%	169,506.80	1.44%
81100	Office FICA	5,531.55	0.42%	6,443.36	0.62%	80,446.37	0.61%
81150	Office SUTA	39.25	0.00%	38.75	0.00%	540.76	0.00%
81200	Office FUTA	39.21	0.00%	44.14	0.00%	828.20	0.01%
81210	Office Workers' Comp Exp	840.64	0.06%	911.81	0.09%	9,144.18	0.07%
81275	Internal Benefit Allocation	9,460.00	0.71%	8,800.00	0.83%	92,880.00	0.71%
80700	Local Travel - Auto	4,587.78	0.34%	821.29	0.08%	26,071.93	0.20%
80750	Distance Travel	-	0.00%	590.11	0.06%	458.37	0.00%
80810	Meals - 50% Tax Deduction	-	0.00%	10.00	0.00%	42.53	0.00%
80820	Meals/Entertainment 100% Tax Deductible	2,397.95	0.18%	148.18	0.01%	3,925.24	0.03%
80890	Regional Meetings	2,128.79	0.16%	-	0.00%	2,128.79	0.02%
81000	Education & Training	-	0.00%	-	0.00%	575.35	0.00%
81330	Computer Equipment Expense	348.32	0.03%	1,966.23	0.19%	5,062.98	0.04%
83150	Legal Services	-	0.00%	-	0.00%	11,000.00	0.08%
83200	Professional Services	100.80	0.01%	100.40	0.01%	2,575.82	0.02%
83000	Dues and Subscriptions	-	0.00%	1,325.00	0.13%	1,570.00	0.01%
81300	Depreciation Expense	1,550.41	0.12%	1,634.77	0.16%	21,110.15	0.16%
81310	Amortization Expense	52.40	0.00%	52.40	0.01%	593.09	0.00%
81400	Taxes & Licenses	(810.00)	-0.06%	810.00	0.08%	2,284.00	0.02%
81420	Property Taxes	731.00	0.05%	-	0.00%	731.00	0.01%
81430	Sales and Use Tax Expense	-	0.00%	-	0.00%	2,005.00	0.02%
Operating_Exp	Total Operating Expenses	\$ 161,269.97	12.13%	\$ 166,368.85	16.12%	\$ 1,721,302.44	13.15%
Operating_Income	Net Income from Operations	\$ 234,800.60	17.86%	\$ 150,727.07	14.60%	\$ 2,406,881.61	18.39%



0007 - Nashville
Final Profit & Loss Statement
 Core Services for the One Month Ended December 31, 2017
 Actuals

		December 2017	Ratio	November 2017	Ratio	December 2017 YTD	Ratio
81600	Doubtful A/R Expense	(3,338.82)	-0.27%	4,748.31	0.46%	(48,426.53)	-0.35%
81620	Bad Debt Recoveries	-	0.00%	-	0.00%	(88.00)	0.00%
81625	Bad Debt Recovery - PPS	(97.68)	-0.01%	-	0.00%	(107.12)	0.00%
81630	Bad Debt Write-Offs	(30.08)	0.00%	3,567.03	0.35%	47,028.78	0.38%
81650	Repayments	83.55	0.01%	-	0.00%	83.55	0.00%
Tot_Oth_Exp	Total Other Expenses	\$ (3,583.01)	-0.27%	\$ 3,313.54	0.31%	\$ 490.68	0.00%
Net_Income	Net Income Before Allocations	\$ 238,383.51	17.92%	\$ 142,413.53	13.80%	\$ 2,405,390.93	18.38%
90000	Cost of Capital	3,856.01	0.27%	3,636.58	0.35%	43,060.43	0.33%
90010	Reg Support - Allocation	14,105.41	1.06%	18,288.37	1.77%	171,840.70	1.31%
90025	Corp Support - Allocation	(820.21)	-0.06%	70,381.17	6.82%	748,799.42	5.72%
Final_Alloc	Final Allocations	\$ 16,941.21	1.27%	\$ 92,264.12	8.94%	\$ 963,500.55	7.38%
NI_After_Alloc	Net Income After Allocations	\$ 221,442.40	16.65%	\$ 50,149.41	4.86%	\$ 1,442,890.38	11.02%



0486 - Clarksville, TN
Final Profit & Loss Statement
Core Services for the One Month Ended December 31, 2017
Actuals

		December 2017	Ratio	November 2017	Ratio	December 2017 YTD	Ratio
60020	Accrued Revenue (Unbilled)	9,333.93	1.21%	-	0.00%	9,333.93	0.12%
80035	Revenue - Wellness	-	0.00%	-	0.00%	5,340.50	0.07%
80050	Revenue - Patient Care	759,862.96	98.73%	613,877.44	98.99%	7,787,116.97	99.84%
80400	Sales Adjustments	-	0.00%	-	0.00%	(1,734.84)	-0.02%
80408	Sales Adjustment Provision	478.38	0.06%	39.78	0.01%	(408.61)	-0.01%
80415	Discounts - UCR	-	0.00%	-	0.00%	9.03	0.00%
Tot_Sales	Revenue	\$ 769,673.27	100.00%	\$ 613,917.20	100.00%	\$ 7,799,556.96	100.00%
70100	Direct Labor	287,132.10	37.31%	285,063.79	46.43%	3,561,443.00	45.66%
70110	Direct Labor - Vacation	1,990.07	0.26%	296.64	0.05%	82,518.35	0.80%
70125	External Direct Labor OT	74,284.79	9.65%	85,882.67	10.73%	853,453.89	10.94%
70135	Direct Labor - Wellness	-	0.00%	-	0.00%	250.00	0.00%
70140	Direct Labor Allocations	125.00	0.02%	(146.88)	-0.02%	(130.65)	0.00%
70145	MMC In-Service	604.24	0.08%	878.14	0.14%	14,741.33	0.19%
70170	External Bonus Pay	429.99	0.06%	88.36	0.01%	3,098.33	0.04%
70200	Accrued Direct Labor	103,748.86	13.48%	-	0.00%	13,142.81	0.17%
70300	FICA - Direct Labor	27,396.95	3.56%	26,424.52	4.30%	335,454.08	4.30%
70400	SUTA - Direct Labor	312.91	0.04%	276.88	0.05%	5,834.23	0.07%
70500	FUTA - Direct Labor	258.39	0.03%	219.02	0.04%	7,609.98	0.10%
70800	Workers Compensation Expense	22,318.15	2.90%	17,610.38	2.87%	224,831.43	2.88%
70850	G/P Liability Expense	5,355.87	0.70%	4,226.49	0.69%	53,959.55	0.69%
70740	Wellness Vaccine Expense	-	0.00%	209.85	0.03%	1,438.38	0.02%
70808	External Benefit Allocation	6,083.81	0.79%	5,080.30	0.83%	82,720.65	1.06%
70810	Medical Supplies	1,205.27	0.16%	1,285.82	0.21%	15,689.50	0.20%
70880	Background Service Checks - Ext	3,283.47	0.43%	944.00	0.15%	21,021.68	0.27%
71600	Nurse Mileage	-	0.00%	58.30	0.01%	2,178.11	0.03%
77000	Medical Waste	283.70	0.04%	27.53	0.00%	1,645.55	0.02%
77010	Awards and Recognition Program	-	0.00%	109.50	0.02%	904.62	0.01%
COGS	COGS	\$ 534,799.57	69.48%	\$ 408,533.36	66.55%	\$ 5,281,604.70	67.48%
Gross_Margin	Gross Profit	\$ 234,873.70	30.52%	\$ 205,383.84	33.45%	\$ 2,538,952.28	32.54%
80100	Rent Expense	1,743.70	0.23%	1,743.70	0.28%	20,772.06	0.27%
80150	Lease Expense (Utilities, etc.)	1,360.28	0.18%	1,803.25	0.26%	22,282.57	0.29%
80250	Telephone	1,928.71	0.25%	1,288.16	0.21%	15,213.04	0.20%
80350	Equipment Rental	161.56	0.02%	161.56	0.03%	1,995.96	0.03%
80400	Office Supplies	1,851.07	0.24%	1,145.18	0.19%	17,797.78	0.23%
80450	Postage	-	0.00%	-	0.00%	3,004.93	0.04%
80470	Overnight Mail	129.82	0.02%	98.78	0.02%	1,352.20	0.02%
80490	Record Storage	103.89	0.01%	101.24	0.02%	1,217.53	0.02%
80820	Conventions	-	0.00%	-	0.00%	61.11	0.00%
80850	Advertising	-	0.00%	-	0.00%	220.50	0.00%
80870	Internet Recruitment Expense	-	0.00%	-	0.00%	100.00	0.00%
81272	Other Employee Benefits	563.00	0.07%	-	0.00%	1,245.98	0.02%
81050	Office Salaries/Wages	48,851.29	6.34%	46,980.68	7.65%	578,820.92	7.42%
81053	Office OT Wages	3,380.02	0.44%	2,096.26	0.34%	23,401.83	0.30%
81060	Time Off - Office Non Exempt	298.80	0.04%	1,248.96	0.20%	15,996.48	0.21%
81070	Salary Allocations	-	0.00%	-	0.00%	(5,000.00)	-0.06%
81085	Bonuses	-	0.00%	15,716.23	2.56%	80,210.97	1.03%
81090	Accrued Internal Payroll	14,256.08	1.85%	-	0.00%	(300.13)	0.00%
81096	Commissions	1,113.82	0.14%	1,299.58	0.21%	16,072.73	0.21%
81100	Office FICA	3,740.33	0.49%	5,082.40	0.82%	53,365.84	0.68%
81150	Office SUTA	33.43	0.00%	38.35	0.01%	536.20	0.01%
81200	Office FUTA	25.07	0.00%	43.46	0.01%	861.46	0.01%
81210	Office Workers' Comp Exp	501.14	0.07%	505.08	0.08%	5,359.28	0.07%
81275	Internal Benefit Allocation	5,590.00	0.73%	5,580.00	0.91%	61,480.00	0.79%
80700	Local Travel - Auto	3,348.10	0.44%	2,568.89	0.42%	22,379.99	0.29%
80750	Distance Travel	-	0.00%	-	0.00%	117.24	0.00%
80810	Meals - 50% Tax Deduction	-	0.00%	-	0.00%	23.75	0.00%
80820	Meals/Entertainment 100% Tax Deductible	102.95	0.01%	929.21	0.15%	2,317.58	0.03%
81330	Computer Equipment Expense	(220.46)	-0.03%	289.37	0.05%	371.00	0.00%
83200	Professional Services	-	0.00%	-	0.00%	503.33	0.01%
83000	Dues and Subscriptions	-	0.00%	378.00	0.06%	736.00	0.01%
81300	Depreciation Expense	2,999.93	0.39%	3,029.87	0.49%	37,758.38	0.48%
81310	Amortization Expense	52.41	0.01%	52.41	0.01%	593.20	0.01%
81400	Taxes & Licenses	310.07	0.04%	293.34	0.05%	4,406.06	0.06%
81420	Property Taxes	685.00	0.09%	-	0.00%	585.00	0.01%
81430	Sales and Use Tax Expense	-	0.00%	-	0.00%	2,038.00	0.03%
Operating_Exp	Total Operating Expenses	\$ 92,890.01	12.07%	\$ 92,263.96	15.03%	\$ 988,008.77	12.67%
Operating_Income	Net Income from Operations	\$ 141,983.69	18.45%	\$ 113,119.88	18.43%	\$ 1,550,943.51	19.87%
81600	Doubtful A/R Expense	(12,520.89)	-1.83%	8,824.28	1.44%	74,187.21	0.95%
81620	Bad Debt Recoveries	-	0.00%	-	0.00%	(613.80)	-0.01%



0485 - Clarksville, TN
Final Profit & Loss Statement
 Core Services for the One Month Ended December 31, 2017
 Actuals

		December 2017	Ratio	November 2017	Ratio	December 2017 YTD	Ratio
81825	Bad Debt Recovery - PPS	(57.84)	-0.01%	(4.44)	0.00%	(199.57)	0.00%
81830	Bad Debt Write-Offs	3,247.81	0.42%	26,126.34	4.26%	51,468.17	0.66%
81850	Repayments	73.80	0.01%	-	0.00%	114.64	0.00%
Tot_Oth_Exp	Total Other Expenses	\$ (9,257.12)	-1.20%	\$ 34,946.16	5.69%	\$ 124,976.65	1.60%
Net_Income	Net Income Before Allocations	\$ 151,240.81	19.65%	\$ 78,173.72	12.73%	\$ 1,425,066.88	18.27%
90000	Cost of Capital	2,551.93	0.33%	2,878.62	0.47%	31,399.35	0.40%
90010	Reg Support - Allocation	8,274.17	1.08%	11,830.74	1.93%	113,005.34	1.45%
90025	Corp Support - Allocation	(484.67)	-0.06%	45,734.76	7.45%	486,144.58	6.36%
Final_Alloc	Final Allocations	\$ 10,341.43	1.34%	\$ 60,444.12	9.85%	\$ 640,549.27	8.21%
NI_After_Alloc	Net Income After Allocations	\$ 140,889.38	18.31%	\$ 17,729.60	2.89%	\$ 784,517.59	10.06%

Maxim Healthcare Services, Inc. and Subsidiaries

**Consolidated Financial Statements
(Unaudited)**

For the Quarter Ended

December 31, 2017



Maxim Healthcare Services, Inc and Subsidiaries
Index
For the Quarter Ended December 31, 2017

	Page
Balance Sheets.....	1-2
Statements of Operations.....	3-5
Statements of Changes in Stockholders' Equity.....	6
Statements of Cash Flows.....	7
Supplemental Schedules.....	8

**Maxim Healthcare Services, Inc.
and Subsidiaries
Comparative Consolidated Balance Sheets**

	December 31, 2017 <u>Consolidated</u>	December 31, 2016 <u>Consolidated</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 6,620,065	\$ 7,101,885
Accounts receivable, net of allowance for doubtful accounts	221,059,412	224,844,035
Prepaid expenses	5,931,452	5,199,773
Other current assets	5,002,914	3,991,829
Total current assets	<u>238,613,843</u>	<u>241,137,522</u>
FIXED ASSETS:		
Equipment and information systems	71,350,653	68,835,372
Furniture and fixtures	12,454,901	11,654,490
Leasehold improvements	<u>8,645,332</u>	<u>7,803,828</u>
Total fixed assets	92,450,886	88,293,690
Less - accumulated depreciation	<u>76,640,234</u>	<u>70,571,505</u>
Fixed assets, net	<u>15,810,652</u>	<u>17,722,185</u>
OTHER ASSETS:		
Less - accumulated amortization	22,804,369	24,899,236
Other assets, net	<u>9,985,631</u>	<u>10,072,427</u>
	<u>12,818,738</u>	<u>14,826,809</u>
Total assets	<u>\$ 267,243,233</u>	<u>\$ 273,686,516</u>
LIABILITIES and STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Bank overdraft	\$ 1,009,742	\$ 2,963,527
Accounts payable	3,983,550	4,662,938
Accrued compensation and related costs	62,915,416	62,619,655
Due to affiliate	249,222	454,385
Deferred compensation	1,975,139	2,905,867
Other accrued expenses	41,404,472	48,794,009
Credit facility	<u>58,425,867</u>	<u>45,019,200</u>
Total current liabilities	169,963,408	167,419,581
NONCURRENT LIABILITIES:		
Other accrued expenses	576,250	61,780,976
Deferred compensation	<u>42,979,464</u>	<u>28,116,353</u>
Total liabilities	<u>213,519,122</u>	<u>257,316,910</u>
STOCKHOLDERS' EQUITY:		
Common stock	3,761	3,761
Additional paid-in-capital	556,175	556,175
Retained earnings	55,426,922	18,072,417
Stockholder tax advances	<u>(2,262,747)</u>	<u>(2,262,747)</u>
Total stockholders' equity	<u>53,724,111</u>	<u>16,369,606</u>
Total liabilities and stockholders' equity	<u>\$ 267,243,233</u>	<u>\$ 273,686,516</u>

**Maxim Healthcare Services, Inc.
and Subsidiaries
Consolidating Balance Sheet
as of December 31, 2017**

	Maxim Healthcare Services Inc	Reflectixion Resources	StaffAssist Workforce Management	Eliminations	Maxim Healthcare Consolidated
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 6,620,065	\$ -	\$ -	\$ -	\$ 6,620,065
Accounts receivable, net of allowance for doubtful accounts	216,717,849	(57,795)	4,399,358	-	221,059,412
Prepaid expenses	5,906,625	22,120	2,707	-	5,931,452
Other current assets	7,978,595	271,355	(271,355)	(2,975,681)	5,002,914
Total current assets	237,223,134	235,680	4,130,710	(2,975,681)	238,613,843
FIXED ASSETS:					
Equipment and information systems	70,917,654	416,893	16,106	-	71,350,653
Furniture and fixtures	12,164,451	289,633	817	-	12,454,901
Leasehold improvements	8,537,968	93,589	13,775	-	8,645,332
Total fixed assets	91,620,073	800,115	30,698	-	92,450,886
Less - accumulated depreciation	75,878,392	739,136	22,706	-	76,640,234
Fixed assets, net	15,741,681	60,979	7,992	-	15,810,652
OTHER ASSETS:					
Less - accumulated amortization	57,089,142	2,332,433	-	(36,617,206)	22,804,369
Other assets, net	7,894,646	2,090,985	-	-	9,985,631
	49,194,496	241,448	-	(36,617,206)	12,818,738
Total assets	\$ 302,159,311	\$ 538,107	\$ 4,138,702	\$ (39,592,887)	\$ 267,243,233
LIABILITIES and STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Bank overdraft	\$ 920,276	\$ 5,000	\$ 84,466	\$ -	\$ 1,009,742
Accounts payable	3,982,265	19	1,266	-	3,983,550
Accrued compensation and related costs	62,786,085	-	129,331	-	62,915,416
Due to affiliates	249,222	-	-	-	249,222
Deferred compensation	1,975,139	-	-	-	1,975,139
Other accrued expenses	38,495,177	928,212	4,956,764	(2,975,681)	41,404,472
Credit facility	58,425,867	-	-	-	58,425,867
Total current liabilities	166,834,031	933,231	5,171,827	(2,975,681)	169,963,408
NONCURRENT LIABILITIES:					
Other accrued expenses	576,250	-	-	-	576,250
Deferred compensation	42,979,464	-	-	-	42,979,464
Total liabilities	210,389,745	933,231	5,171,827	(2,975,681)	213,519,122
STOCKHOLDERS' EQUITY:					
Common stock	8,726	-	-	(4,965)	3,761
Additional paid-in-capital	20,686,953	14,946,985	-	(35,077,763)	55,616,175
Retained earnings	73,336,634	(15,342,109)	(1,033,125)	(1,534,478)	55,426,922
Stockholder tax advances	(2,262,747)	-	-	-	(2,262,747)
Total stockholders' equity	91,769,566	(395,124)	(1,033,125)	(36,617,206)	53,724,111
Total liabilities and stockholders' equity	\$ 302,159,311	\$ 538,107	\$ 4,138,702	\$ (39,592,887)	\$ 267,243,233

**Maxim Healthcare Services, Inc.
and Subsidiaries
Consolidated Statements of Operations**

	Three Months Ended December 31, 2017	Twelve Months Ended December 31, 2017
Revenues	\$ 399,524,726	\$ 1,513,812,366
Operating expenses	<u>388,027,988</u>	<u>1,472,454,467</u>
Income from operations	11,496,738	41,357,899
Interest expense, net of investment income	<u>717,371</u>	<u>2,550,702</u>
Income before provision for income taxes	10,779,367	38,807,197
Provision for income taxes	<u>159,720</u>	<u>700,548</u>
Net income	<u><u>\$ 10,619,647</u></u>	<u><u>\$ 38,106,649</u></u>

**Maxim Healthcare Services, Inc.
and Subsidiaries**
Consolidating Statement of Operations
for the Three Months Ended December 31, 2017

	<u>Maxim Healthcare Services Inc</u>	<u>Reflectxion Resources</u>	<u>StaffAssist Workforce Management</u>	<u>Maxim Healthcare Consolidated</u>
Revenues	\$ 392,887,144	\$ 37,468	\$ 6,600,114	\$ 399,524,726
Operating expenses	<u>381,319,300</u>	<u>117,044</u>	<u>6,591,644</u>	<u>388,027,988</u>
Income (loss) from operations	11,567,844	(79,576)	8,470	11,496,738
Interest expense, net of investment income	<u>717,479</u>	<u>-</u>	<u>(108)</u>	<u>717,371</u>
Income (loss) before provision for income taxes	10,850,365	(79,576)	8,578	10,779,367
Provision for income taxes	<u>159,720</u>	<u>-</u>	<u>-</u>	<u>159,720</u>
Net income (loss)	<u>\$ 10,690,645</u>	<u>\$ (79,576)</u>	<u>\$ 8,578</u>	<u>\$ 10,619,647</u>

**Maxim Healthcare Services, Inc.
and Subsidiaries**
Consolidating Statement of Operations
for the Twelve Months Ended December 31, 2017

	<u>Maxim Healthcare Services Inc</u>	<u>Reflectixion Resources</u>	<u>StaffAssist Workforce Management</u>	<u>Maxim Healthcare Consolidated</u>
Revenues	\$ 1,491,418,375	\$ 255,369	\$ 22,138,622	\$ 1,513,812,366
Operating expenses	<u>1,449,128,357</u>	<u>1,095,620</u>	<u>22,230,490</u>	<u>1,472,454,467</u>
Income (loss) from operations	42,290,018	(840,251)	(91,868)	41,357,899
Interest expense, net of investment income	<u>2,551,137</u>	<u>-</u>	<u>(435)</u>	<u>2,550,702</u>
Income (loss) before provision for income taxes	39,738,881	(840,251)	(91,433)	38,807,197
Provision for income taxes	<u>700,548</u>	<u>-</u>	<u>-</u>	<u>700,548</u>
Net (loss) income	<u>\$ 39,038,333</u>	<u>\$ (840,251)</u>	<u>\$ (91,433)</u>	<u>\$ 38,106,649</u>

**Maxim Healthcare Services, Inc.
and Subsidiaries**

**Consolidated Financial Statements
December 31, 2016 and 2015**

Maxim Healthcare Services, Inc. and Subsidiaries**Index****December 31, 2016 and 2015**

	Page(s)
Independent Auditor's Report	1
Consolidated Financial Statements	
Balance Sheets	2
Statements of Operations	3
Statements of Changes in Stockholders' Equity	4
Statements of Cash Flows	5
Notes to Financial Statements	6-17

Maxim Healthcare Services, Inc. and Subsidiaries
Consolidated Balance Sheets (in thousands)
December 31, 2016 and 2015

	2016	2015
Assets		
Current assets		
Cash and cash equivalents	\$ 7,102	\$ 5,523
Accounts receivable, less allowance for doubtful accounts of \$18,452 and \$15,462 in 2016 and 2015, respectively	224,844	224,265
Prepaid expenses	5,200	4,108
Other current assets	3,992	3,684
Total current assets	241,138	237,580
Property and equipment, net	17,722	13,595
Other assets, net	14,827	16,877
Total assets	<u>\$ 273,687</u>	<u>\$ 268,052</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Bank overdraft	\$ 2,964	\$ 4,007
Accounts payable	4,663	6,505
Accrued compensation and related costs	62,620	55,572
Due to affiliate	454	558
Deferred compensation	2,906	3,549
Other accrued expenses	48,794	24,397
Credit facility	45,019	50,977
Total current liabilities	167,420	145,565
Other accrued expenses	61,781	70,116
Deferred compensation	28,116	24,856
Total liabilities	257,317	240,537
Stockholders' equity		
Common stock	4	4
Additional paid-in capital	556	1,133
Retained earnings	18,073	28,641
Stockholder tax advances	(2,263)	(2,263)
Total stockholders' equity	16,370	27,515
Total liabilities and stockholders' equity	<u>\$ 273,687</u>	<u>\$ 268,052</u>

The accompanying notes are an integral part of these consolidated financial statements.

Maxim Healthcare Services, Inc. and Subsidiaries
Consolidated Statements of Operations (in thousands)
Years Ended December 31, 2016 and 2015

	2016	2015
Revenues	\$ 1,486,318	\$ 1,382,869
Operating expenses	1,492,937	1,368,886
Impairment loss	<u>750</u>	<u>-</u>
(Loss) income from operations	(7,369)	13,983
Investment income	251	158
Interest expense	<u>(3,610)</u>	<u>(2,374)</u>
(Loss) income before provision for income taxes	(10,728)	11,767
Benefit (provision) for income taxes	160	(84)
Net (loss) income	<u>\$ (10,568)</u>	<u>\$ 11,683</u>

The accompanying notes are an integral part of these consolidated financial statements.

Maxim Healthcare Services, Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Equity (in thousands)
Years Ended December 31, 2016 and 2015

	Common Stock	Additional Paid-in Capital	Retained Earnings	Stockholder Tax (Advances) Repayments	Total
Balance, December 31, 2014	\$ 4	\$ 1,133	\$ 16,958	\$ (2,268)	\$ 15,827
Repayments of stockholder advances	-	-	-	5	5
Net income	-	-	11,683	-	11,683
Balance, December 31, 2015	<u>\$ 4</u>	<u>\$ 1,133</u>	<u>\$ 28,641</u>	<u>\$ (2,263)</u>	<u>\$ 27,515</u>
Redemption of common stock	-	(577)	-	-	(577)
Net loss	-	-	(10,568)	-	(10,568)
Balance, December 31, 2016	<u>\$ 4</u>	<u>\$ 556</u>	<u>\$ 18,073</u>	<u>\$ (2,263)</u>	<u>\$ 16,370</u>

The accompanying notes are an integral part of these consolidated financial statements.

Maxim Healthcare Services, Inc. and Subsidiaries
Consolidated Statements of Cash Flows (in thousands)
Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities		
Net (loss) income	\$ (10,568)	\$ 11,683
Adjustments to reconcile net (loss) income to net cash provided by operating activities		
Depreciation and amortization	8,882	6,919
Amortization of capitalized financing costs	242	149
Deferred taxes	(182)	84
Deferred compensation expense	4,722	3,008
Loss on sale of fixed assets	79	45
Impairment loss	750	-
Bad debt expense	16,574	10,555
Changes in operating assets and liabilities		
(Increase) decrease in:		
Accounts receivable, net	(17,153)	(39,876)
Prepaid expenses	(1,092)	(447)
Other current assets	(308)	508
Other non-current assets	(56)	(28)
(Decrease) increase in:		
Accounts payable	(5,268)	2,453
Accrued compensation and related costs	7,048	8,935
Deferred compensation	(2,105)	(14,090)
Due to affiliate	(104)	466
Other accrued expenses	16,146	(293)
Net cash provided by (used in) operating activities	17,607	(9,929)
Cash flows from investing activities		
Purchases of fixed assets	(8,501)	(10,693)
Increase in other assets	(750)	-
Net cash used in investing activities	(9,251)	(10,693)
Cash flows from financing activities		
Borrowings under credit facility	697,500	616,445
Payments under credit facility	(703,500)	(594,195)
Payments made for financing fees	(200)	(125)
Redemption on common stock	(577)	-
Repayments of stockholder tax advances	-	5
Net cash (used in) provided by financing activities	(6,777)	22,130
Net increase in cash and cash equivalents	1,579	1,508
Cash and cash equivalents		
Beginning of year	5,523	4,015
End of year	\$ 7,102	\$ 5,523
Supplemental cash flow information		
Cash paid for		
Interest	\$ 3,343	\$ 2,153
Taxes	3	14
Non-cash investing activities		
Increase in accrued fixed assets	\$ 2,383	\$ 271

The accompanying notes are an integral part of these consolidated financial statements.

B-Orderly Development-4B

TDOH Survey and Plan of Correction

Nashville HH Survey



May 30, 2017

Mr. Steven Rider
Maxim Healthcare Services
115 East Park Drive, Suite 200
Brentwood, TN 37027

RE: Recertification Survey – 1/25/17
CCN: 447580

Dear Mr. Rider:

The Department of Health West TN Regional Office of Health Care Facilities completed a recertification survey of your facility on **January 25, 2017**. Based on a desk review follow-up completed on **May 25, 2017**; we are accepting your plan of correction and assume your facility is in compliance with all participation requirements.

If this office may be of any assistance to you, please do not hesitate to call.

Sincerely,

Rhonda Rogers, PHNC2

Rhonda Rogers, RN
Public Health Nurse Consultant II

RR/ab *UB*

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 447580	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 01/25/2017
NAME OF PROVIDER OR SUPPLIER MAXIM HEALTHCARE SERVICES, INC			STREET ADDRESS, CITY, STATE, ZIP CODE 2416 HILLSBORO ROAD, SUITE 208 NASHVILLE, TN 37212		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
G 158	<p>484.18 ACCEPTANCE OF PATIENTS, POC, MED SUPER</p> <p>Care follows a written plan of care established and periodically reviewed by a doctor of medicine, osteopathy, or podiatric medicine.</p> <p>This STANDARD is not met as evidenced by: Based on policy review, medical record review and interview, the agency failed to notify the physician when a change in the plan of care occurred and failed to ensure an appropriate frequency for visits for 6 of 8 (Patient #1, 3, 4, 6, 7 and 8) active sampled patients.</p> <p>The findings included:</p> <p>1. Review of the facility's "MISSED SHIFT/VISIT" policy revealed, "...Missed Visit...If the physician order, authorization or aide plan of care specifies a visit on a particular day and for any reason the visit does not occur as ordered, a Missed Visit Note is required...Missed Shift...Any portion of the scheduled shift that is not completed per the physician order, authorization or aide plan of care requires the completion of a Missed Shift/Visit Note, which is to be filed in the medical record...If at any time the services provided do not match the physician order (or range of orders) a Missed Shift/Visit Note and notification of the physician is required. The medical record will include all documentation related to the missed shift including alternative care for the patient..."</p> <p>2. Medical record review for Patient #1 revealed a start of care (SOC) date of 5/22/14 with diagnoses of Unspecified Hydronephrosis, Cerebral Palsy, Hypothyroidism, Neuromuscular Dysfunction of Bladder, Generalized Idiopathic</p>	G 158	<p>484.18 Acceptance of Patients, POC Med Super. Patients #1,3,4,6,7, and 8.</p> <p>The administrator/Qualified Alternate will ensure the following:</p>		

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 01/25/2017
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 447580	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 01/25/2017
NAME OF PROVIDER OR SUPPLIER MAXIM HEALTHCARE SERVICES, INC			STREET ADDRESS, CITY, STATE, ZIP CODE 2416 HILLSBORO ROAD, SUITE 208 NASHVILLE, TN 37212		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
G 158	<p>Continued From page 1</p> <p>Epilepsy and Epileptic Syndromes. The plan of care (POC) dated 11/7/16-1/5/17 documented skilled nursing visit (SNV) twice a day and home health aide (HHA) services 14 hours per week. Record review revealed one missed SNV on 11/12/16, 11/19/16, 11/21/16, 11/22/16, 11/23/16, 11/24/16, 11/30/16, 12/14/16, 12/18/16, 12/20/16 and 12/30/16. Record review revealed two missing SNV on 11/25/16, 11/28/16 and 12/31/16. Record review revealed 4 hours (hr) of missing HHA services on the week (wk) of 11/7/16, 11/13/16, 11/20/16, 11/27/16, 12/11/16, 12/18/16, 12/25/16 and 1/1/17. Further record review revealed 6 hr of missing HHA services on the wk of 12/4/16. There was no documentation the physician was notified of the change in the POC.</p> <p>3. Medical record review for Patient #3 revealed a SOC on 8/31/09 with diagnoses of Cerebral Palsy, Convulsions and Gastrostomy Tube dependent. The POC dated 11/22/16-1/20/17 documented skilled nursing services for 30 hours per week (hr/wk) throughout the 60 day certification period. Record review revealed Patient #3 received SN services less than 30 hr/wk as follows: wk of 11/22/16-received 25 hr 50 min SN services; wk of 11/27/16-received 16 hr 52 min SN services; wk of 12/4/16-received 25 hr 17 min SN services; wk of 12/11/16-received 26 hr 7 min SN services; wk of 12/18/16-received 17 hr 51 min SN services; wk of 12/25/16-received 26 hr 52 min SN services; wk of 1/1/17-received 17 hr 25 min SN services; wk of 1/8/17-received 18 hr 36 min SN services, and;</p>	G 158	<p>The office staff will be re-educated on on Missed Visit Shift SOP MD-CL-016B.</p> <p>Action 1: Healthcare Recruiters and Client Coordinators will complete missed shift visit report daily.</p> <p>Action 2: Field Support Team will collect all missed visit forms daily, those forms will then be sent to the physician to provide the necessary notification of the change in the POC. Once successful communication has been sent to the physician, the missed visit form will be filed accordingly in the patients medical chart.</p> <p>Action 3: Field Support team member under the guidance of the Administrator/ Qualified Alternate will conduct a 100% audit of all Missed Visits in March and April to ensure compliance with the POC established by the physician.</p> <p>Compliance will be monitored weekly during review of submitted documentation for hours of service provided per patient and for conformance with the POC established by the physician.</p>	03/10/17	on-going
				04/07/17	
				05/05/17	
				on-going	

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 01/21/2017
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 447580	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 01/25/2017
NAME OF PROVIDER OR SUPPLIER MAXIM HEALTHCARE SERVICES, INC			STREET ADDRESS, CITY, STATE, ZIP CODE 2416 HILLSBORO ROAD, SUITE 208 NASHVILLE, TN 37212		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
G 158	<p>Continued From page 2</p> <p>wk of 1/15/17-received 8 hr 5 min SN services. There was no documentation the physician had been notified of the change in the POC.</p> <p>4. Medical record review for Patient #4 revealed a SOC on 5/11/16 with diagnoses of Respiratory Failure, Ventilator Dependent and Attention to Ileostomy. The POC dated 1/6/17-3/6/17 documented skilled nursing services for 168 hr/wk throughout the 60 day certification period. Record review revealed Patient #4 received SN services less than 168 hr/wk as follows: wk of 1/1/17-received 144 hr 56 min SN services; wk of 1/8/17-received 153 hrs SN services, and; wk of 1/15/17-received 166 hr SN services. There was no documentation the physician had been notified of the change in the POC.</p> <p>5. Medical record review for Patient #5 revealed a SOC on 9/8/16 with diagnoses of Diabetes Mellitus and Long term use of Insulin. The POC dated 11/7/16-1/5/17 documented skilled nurse visits 5 times a week for 2 weeks, 2 times a week for 1 week, 5 times a week for 3 weeks, 0 times a week for 2 weeks, and 2 times a week for 1 week. Record review revealed one missed skilled nurse visit the week of 11/6/16, 11/13/16, 12/11/16, and 1/1/17. There was no documentation the physician had been notified of the change in the POC.</p> <p>In an interview in the conference room on 1/25/17 at 3:15 PM, the Clinical Director verified the "0" frequency for visits.</p> <p>6. Medical record review for Patient #7 revealed a SOC date of 11/21/16 with diagnoses of Trisomy 18, Anemia, Feeding Difficulties and Atrial Septal Defect. The POC dated</p>	G 158	<p>Director of Clinical Services will review Home Health Certification and Plan of Care HH-CL-007.6 Section 5.3.6 Frequency and Duration with all Clinical Supervisors.</p> <p>Director of Clinical Services will complete a 100% audit of all Intermittent patients to ensure the SNV frequency is current and appropriate for all patients.</p> <p>Compliance will be monitored by Director of Clinical Services every 60 days and ensuring that the patients plan of care is updated with the appropriate frequency and duration that is ordered by the physician.</p>	03/10/17	03/17/17
				on-going	

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 447580	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 01/25/2017
NAME OF PROVIDER OR SUPPLIER MAXIM HEALTHCARE SERVICES, INC			STREET ADDRESS, CITY, STATE, ZIP CODE 2416 HILLSBORO ROAD, SUITE 208 NASHVILLE, TN 37212		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
G 158	<p>Continued From page 3</p> <p>11/21/16-1/19/17 documented skilled nursing services for 56 hours per week. Record review revealed the skilled nursing visits less than 56 hr/wk as follows: wk of 11/21/16-received 32 hr 29 min SN services; wk of 11/27/16-received 48 hr 30 min SN services; wk of 12/4/16-received 12 hr 30 min SN services; wk of 12/11/16-received 32 hr SN services; wk of 12/18/16 - received 24 hr SN services; wk of 12/25/16 - received 40 hr 5 min SN services; wk of 1/1/17-received 24 hr SN services; wk of 1/8/17-received 40 hr 15 min SN services, and; wk of 1/15/17-received 24 hr 19 min SN services. There was no documentation the physician had been notified of the change in the POC.</p> <p>7. Medical record review for Patient #8 revealed a SOC date of 11/19/13 with diagnoses of Intracranial Injury and Gastroesophageal Reflux Disease. The POC dated 11/3/16-1/2/17 documented skilled nursing visit 2 times a week for 1 week, 5 times a week for 8 weeks, and 1 time a week for 1 week. Record review revealed 1 missed skilled nursing visit the week of 11/6/16, 3 missed visits the week of 11/20/16 and 1 missed visit the week of 12/18/16, 12/25/16 and 1/1/17. There was no documentation the physician was notified of the change in the POC.</p> <p>During an interview in the conference room on 1/24/17 at 2:23 PM, the Clinical Services Director stated if the medical record did not contain a missed visit note, the physician was not notified of a missed visit. The Clinical Services Director confirmed there were no documentation of</p>	G 158			

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 01/21/2017
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 447580	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 01/25/2017
NAME OF PROVIDER OR SUPPLIER MAXIM HEALTHCARE SERVICES, INC			STREET ADDRESS, CITY, STATE, ZIP CODE 2416 HILLSBORO ROAD, SUITE 208 NASHVILLE, TN 37212		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
G 158	Continued From page 4 missed visits in the medical record for Patient #1, 3, 4, 6, 7 or 8.	G 158	Pursuant to federal and state law, Maxim hereby submits this Plan of Correction and allegation of Compliance for the deficiencies noted. This plan of correction does not, however, constitute an admission that the deficiency exists or existed or that the deficiency was properly cited.		

Proof of Publication

TEXT WORK to 55000 615-605-4710

**NOTIFICATION OF INTENT
TO APPLY FOR A CERTIFICATE OF NEED**

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Maxim Healthcare Services (a home health agency), owned and managed by Maxim Healthcare Services, Inc. (a corporation), intends to file an application for a Certificate of Need to expand its authorized service area to include 7 Middle Tennessee counties, which are Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties. The current service consists of 9 counties: Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson Counties. The project cost is estimated at \$75,000. The agency's principal office for this service area is located at 115 East Park Drive, Suite 200, Brentwood, TN 37027.

The project does not contain major medical equipment or initiate or discontinue any other health service; and it will not affect any facility's licensed bed complements.

The anticipated date of filing the application is on or before March 14, 2018. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Pursuant to TCA Sec. 68-11-1607(c)(1): (A) any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled, and (B) any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

EOE

Gross, Cornersville;
Philip Randall, Jr.
Forrest and Grant
Agnew, Nashville.

Public Notices

Public Notices

Public Notices

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with TCA Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Maxim Healthcare Services (a home health agency), owned and managed by Maxim Healthcare Services, Inc. (a corporation), intends to file an application for a Certificate of Need to expand its authorized service area to include 7 Middle Tennessee counties, which are Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties. The current service consists of 9 counties: Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutledge, Sumner, Wilkerson, and Wilson Counties. This project cost is estimated at \$75,000. The agency's principal office for this service area is located at 115 East Park Drive, Suite 200, Brentwood, TN 37027.

The project does not contain major medical equipment or initiate or discontinue any other health service; and it will not affect any facility's licensed bed complements.

The anticipated date of filing the application is on or before March 14, 2018. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Pursuant to TCA Sec. 68-11-1607(c)(1): (A) any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled, and (B) any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

Public Notices

Public Notices

Public Notices

050327009271

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that: Vanderbilt University Medical Center an existing acute care hospital owned by: Vanderbilt University Medical Center with an ownership type of corporation not-for-profit and to be managed by Vanderbilt University Medical Center intends to file an application for a Certificate of Need for the addition of fourteen (14) adult psychiatric beds located on the campus of Vanderbilt University Medical Center located at 1211 Medical Center Drive, Nashville, TN 37232. The project cost is projected to be \$4,214,113. This project will increase the total inpatient psychiatric capacity of Vanderbilt University Medical Center by fourteen (14) beds to a total 106 psychiatric beds. The project will not involve any other service for which a certificate of need is required.

The anticipated date of filing the application is, March 14, 2018. The contact person for this project is Gina Felts, Vice-President, Business Development who may be reached at: Vanderbilt University Medical Center, 3319 West End Avenue, Suite 920, Nashville, TN 37203. 615 936-6005

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or

Public Notices

Public Notices

0002779827

PUBLIC NOTICE OF AVAILABILITY FINAL ENVIRONMENTAL ASSESSMENT (EA) AND FINDING OF NO SIGNIFICANT IMPACT (FONSI) FOR THE IMPLEMENTATION OF THE BNA VISION

AGENCY: Federal Aviation Administration, Metropolitan Nashville Airport Authority

The Federal Aviation Administration (FAA) has assessed the potential environmental impacts for the proposed improvements at the Nashville International Airport (BNA) in Nashville, Tennessee. The FAA has determined the project as proposed would not significantly affect the quality of the human environment and that an Environmental Impact Statement (EIS) is not necessary. An Environmental Assessment (EA) was prepared and a Finding of No Significant Impact (FONSI) has been issued. The EA and FONSI are available to review at:

- MNAA, One Terminal Drive, Suite 501, Nashville, TN 37214; Hours: Monday through Friday, 8:30 AM to 3:30 PM (CT).
 - FAA, Memphis Airports District Office, 2610 Thousand Oaks Boulevard, Suite 2250, Memphis, TN 38118; Hours: Monday through Friday, 8:00 AM to 3:30 PM (CT).
 - Nashville Public Library Donelson Branch, 2315 Lebanon Pike, Nashville, TN 37214; Monday through Friday, 11:00 AM to 6:00 PM (CT)
 - Tennessee State Library and Archives, 403 7th Avenue North, Nashville, TN 37243; Hours: Monday through Friday, 9:00 AM to 3:00 PM (CT)
 - Online at www.bnavision.com/plans
- For additional information contact:

Christine Vitt
AVP, Strategic Planning and Sustainability
Metropolitan Nashville Airport Authority
One Terminal Drive, Suite 501
Nashville, TN 37214
Phone: (615) 275-1783
email: christine_vitt@nashintl.com

OR

Kristi Ashley
Environmental Protection Specialist
FAA - Memphis Airports District Office
2610 Thousand Oaks Boulevard
Memphis, TN 38118

US Treasury Dept. Public Auction
Wed. 1/21 at 12 Noon
106 Beaverville Dr., Dickson
2,421 sq. ft. brick home, 5BR, 4BA, kitchen, living rm, dining rm, detached 2 car garage, 1,297 sq. ft. unfinished walk-out basement. 0.41 acre lot in
Land Wood Estates
OPEN: Sun. 1/21 & 1/22 from 1-4pm
Deposit: \$10K, cashiers check payable to CWS Marketing Grp
is required to bid.
www.lreus.com/auctions/requswfp
703-273-7173 sales 18-05-146

Wanted to Buy

We buy now and sell later. Call Money Investors. Jim Stevens Realty 228-2541

REAL ESTATE WANTED
I Buy Real Estate 615-269-0882

Support Letters



Dec 7, 2017

To: Tennessee Health Services and Development Agency

I am writing to support in the strongest possible way the Certificate of Need application for Maxim Healthcare for the Middle Tennessee area, specifically the counties of Maury, Hickman, Marshall, Bedford, Coffee, and Cannon.

Our complex care program at Monroe Carrell Jr Children's Hospital at Vanderbilt provides care for children with severe chronic disease, many of whom are technology dependent. They frequently require home ventilators, tracheostomies, or continuous feeding through gastrostomy tubes. Many of our patients depend on home nursing to stay out of the hospital.

We share many patients with Maxim Healthcare and have been extremely pleased with their services. We view them as valuable partners in care.

We work with children from all over the state, and it is particularly challenging to find needed home nursing in areas away from the largest population centers. Many of our families, even though approved for home care, are unable to fill needed nursing shifts due to a lack of available nurses. The supply of home providers clearly does not meet the need and we urge you to approve Maxim's application.

Please call if you have any questions.

Sincerely,

David E. Hall, M.D.
Professor of Clinical Pediatrics
Vanderbilt University School of Medicine
Section Head, Program for Children with Medically Complex Needs
Monroe Carrell Jr Children's Hospital at Vanderbilt
615 875 0901



Monroe Carrell Jr. Children's Hospital at Vanderbilt
Program for Children with Medically Complex Needs
2200 Children's Way | 2507 VCH | Nashville, TN
37232-9507 | tel 615.875.0901 | fax 615.343.3650
www.ChildrensHospital.Vanderbilt.org

VANDERBILT UNIVERSITY



MEDICAL CENTER

November 16, 2017

RE: Maxim Healthcare

To Whom It May Concern,

I am a pediatrician with University Pediatrics Clinic at Vanderbilt in Nashville, Tennessee. We are a practice of 7 providers who see a large number of medically complex patients who require home health services. We have worked closely with Maxim Healthcare regarding several of our patients. We have found them to be responsive to patient needs, timely with orders and requests, professional in their communication, and efficient with fulfilling prescribed hours for our patients. Since we care for patients that live in a widespread area surrounding Nashville, it would be very beneficial to have Maxim's service territory expanded.

Thank you for your consideration in this matter. Please feel free to contact me if you have questions or need further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alice Rothman'.

Alice Rothman, M.D., M.P.H.
Associate Professor of Pediatrics
University Pediatrics



Monroe Carell Jr. Children's Hospital at Vanderbilt
University Pediatrics, Vanderbilt Health-One Hundred Oaks
719 Thompson Lane | Suite 24500 | Nashville, TN 37204
tel 615.936.3939 | fax 615.936.3909
www.ChildrensHospital.Vanderbilt.org

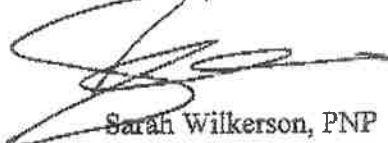
February 16, 2018

Tennessee Health Services and Development Agency:

I am a provider with our Complex Care Team at Monroe Carell Jr. Children's Hospital at Vanderbilt. We serve, primarily, children with severe neurologic injury who are often dependent on medical technology, like ventilators, feeding tubes, and shunts. The majority of our patients also have home nursing due to the severity of their chronic medical conditions. We often find it difficult to obtain pediatric private duty nursing services in these particular areas:

Maury, Hickman, Marshall, Bedford, Coffee, and Cannon Counties. We, as a medical team, would like to support the Maxim Healthcare Application for Certification of Need in these areas. They are a well-respected and high quality provider for many of our patients.

Sincerely,



Sarah Wilkerson, PNP
Professor of Clinical Pediatrics
Program for Children with Medically Complex Needs

Monroe Carell Jr. Children's Hospital at Vanderbilt
Program for Children with Medically Complex Needs
2200 Children's Way | 2507 VCH | Nashville, TN
37232-9507 tel 615.875.0901 | fax 615.343.3650
www.ChildrensHospital.Vanderbilt.org



February 26, 2018

RE: Maxim Healthcare

To Whom It May Concern:

I am the Team Lead in case management at St Thomas Rutherford Hospital. Our hospital sees a large number of patients who require home health nursing. They include patients from Maury, Hickman, Bedford, Coffee and Cannon counties. We have worked closely with Maxim Healthcare in providing home health care for patients in difficult cases and have received excellent service. We need an additional home health resource in these counties. I support expanding their services in the counties mentioned previously. Our patient's that use Maxim Healthcare have been satisfied with the service they receive.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cathy Alber".

Cathy Alber, RN/ Team Lead/Case Management

St Thomas Rutherford Hospital

615-225-7298



**Old Harding
Pediatric Associates**
ESTABLISHED 1937



November 13, 2017

Re: Maxim Healthcare Services

To Whom It May Concern,

I am writing in support of Maxim Healthcare Services as they attempt to expand their coverage area for the state of Tennessee. I know their organization well from two vantage points.

Having practiced general pediatrics in Middle Tennessee for twenty-five years with many special needs children, I have shared numerous patients with Maxim. They consistently demonstrated professional, attentive care. Many of these patients had technology based care including respiratory support and seizure interventions. The nurse managers did an excellent job of matching appropriate personnel to the case needs. Maxim is always my first choice when seeking home care for my patients.

For many years, I have also served on Maxim's Professional Advisory Board. We meet each spring to discuss progress, problems, and quality improvement measures. I have witnessed tremendous growth of this business in its scope and leadership. They embrace many aspects of a well-run, progressive organization including feedback from all levels, significant investment in employee training and retention, and prompt follow up on customer complaints. One of the key quality metrics for a home agency is their ability to staff their current cases. Maxim is fulfilling nearly 95% of all prescribed hours. I have no doubt they are ready to expand their services to a wider area.

I do not have a large patient base in Maury, Hickman, Marshall, Bedford, Coffee, and Cannon counties where Maxim would like to provide additional services. However, given the large number of pediatric patients currently coming out of NICU and PICU stays with technical home care needs, I am sure Maxim is needed in these areas. Their agency has the pediatric expertise to meet these needs.

Thank you for giving consideration to Maxim Healthcare Services for this request.

Paul Heil, M.D.

Paul Heil, M.D.
Laurie Aisentzer, M.D.
Linda Brady, M.D.
Chris Smeltzer, M.D.
Chris Patton, M.D.
Jennifer Ragsdale, M.D.
Jon Betts, M.D.
John Long, M.D.
James Keffer, M.D.
Kylie Cormier, M.D.



1113 Murfreesboro Road • Suite 319

Franklin, TN 37064

(P) 615.790.0567

(T) 866.790.8388

(F) 615.595.8030

www.mercytn.org

November 21, 2017

RE: Maxim Healthcare

To Whom It May Concern:

I am a primary care physician with Mercy Community Healthcare in Franklin, TN. Our practice sees a moderate number of adult patients who require home health nursing services. We have worked closely with Maxim Healthcare and have received excellent service. Their nurses are professional and prompt in calling the office when a problem arises. All of our patients that use Maxim Healthcare have been satisfied with the services they receive.

We currently have limited agencies available to serve our patient populations in Maury and Marshall Counties. I strongly support these areas having additional agencies and services available to meet the needs for patients who live in these counties.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Christine Bett-Belleau".

Christine Bett-Belleau, MD

Primary Care Physician

CBB/bld



1113 Murfreesboro Road • Suite 319

Franklin, TN 37064

(P) 615.790.0567

(T) 866.790.8388

(F) 615.595.8030

www.mercytn.org

November 21, 2017

RE: Maxim Healthcare

To Whom It May Concern:

I am a primary care physician with Mercy Community Healthcare in Franklin, TN. Our practice sees a moderate number of adult patients who require home health nursing services. We have worked closely with Maxim Healthcare and have received excellent service. Their nurses are professional and prompt in calling the office when a problem arises. All of our patients that use Maxim Healthcare have been satisfied with the services they receive.

We currently have limited agencies available to serve our patient populations in Maury and Marshall Counties. I strongly support these areas having additional agencies and services available to meet the needs for patients who live in these counties.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mel. Hixson", followed by the letters "MD" in a smaller font.

Melissa Hixson, MD

Primary Care Physician

MEH/bld



1113 Murfreesboro Road • Suite 319

Franklin, TN 37064

(P) 615.790.0567

(T) 866.790.8388

(F) 615.595.8030

www.mercytn.org

November 21, 2017

RE: Maxim Healthcare

To Whom It May Concern:

I am a chronic care pediatrician with Mercy Community Healthcare in Franklin, TN. Our practice sees a large number of special needs patients who require home health nursing services. We have worked closely with Maxim Healthcare and have received excellent service. Their nurses are professional and prompt in calling the office when a problem arises. All of our patients that use Maxim Healthcare have been satisfied with the services they receive.

We currently have limited agencies available to serve our patient populations in Maury and Marshall Counties. I strongly support these areas having additional agencies and services available to meet the needs for patients who live in these counties.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Abigail Ryan, MD".

Abigail Ryan, MD

Chronic Care Pediatrician

ALR/bld



1113 Murfreesboro Road • Suite 319

Franklin, TN 37064

(P) 615.790.0567

(T) 866.790.8388

(F) 615.595.8030

www.mercytn.org

November 21, 2017

RE: Maxim Healthcare

To Whom It May Concern:

I am a chronic care pediatrician with Mercy Community Healthcare in Franklin, TN. Our practice sees a large number of special needs patients who require home health nursing services. We have worked closely with Maxim Healthcare and have received excellent service. Their nurses are professional and prompt in calling the office when a problem arises. All of our patients that use Maxim Healthcare have been satisfied with the services they receive.

We currently have limited agencies available to serve our patient populations in Maury and Marshall Counties. I strongly support these areas having additional agencies and services available to meet the needs for patients who live in these counties.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Amy Vehetz".

Amy Vehetz, MD

Chronic Care Pediatrician

AEV/bld

MEDICAL

Patient Care That Helps You Breathe Easier

December 8th, 2017

To Whom It May Concern:

I am the owner of RT Medical LLC, a home medical equipment company that specializes in Clinical Respiratory Services and mechanical ventilation. We provide services for tracheostomized pediatrics throughout Tennessee. There is a definite need for more skilled pediatric nursing care in the patients' homes. Many patients have to stay in the hospital an extended period of time because there is not enough nursing to care for them at home. Maxim is an exceptional home health company with qualified nursing staff. Their services are needed to care for more pediatric patients and prevent costly and unnecessary hospital stays. Hickman, Maury, Marshall, Bedford, Coffee, Cannon and Dekalb counties are in desperate need for more pediatric home health nursing services. Please consider Maxim Healthcare Services for the listed counties. I assure you the patients will receive the best care. Thank you for your consideration.

Rachel Thomas, RCP, RRT
Owner

3524 Central Pike Suite 310
Hermitage, TN 37076
Office: 615-469-7299
Fax: 615-469-7596

Supplemental #1 (Copy)

Maxim Healthcare Services

CN1803-013

March 23, 2018

Phillip M. Earhart, HSD Examiner
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: CON Application CN1803-013
Maxim Health Services

Dear Mr. Earhart:

This letter responds to your recent request for additional information on this application. The items below are numbered to correspond to your questions. They are provided in triplicate, with affidavit.

1. Section A, Executive Summary (2) Ownership Structure, Page 3

Your response is noted. Please provide the ownership structure and percentage ownership of Oak Investment Trust and Oak Investment Trust II.

The trusts do not have shareholders or members as would a corporation or LLC. They are controlled by three trustees, whose names are shown below. The trusts' beneficiaries are the individual who founded the company and several of his children, whose identities and beneficial interests are confidential and not disclosable.

Trustees:

1. Fred S. Ridley
2. R. Alan Butler
3. Randall D. Sones

2. Section A. Project Details, Item 4.A (Type of Ownership) Page 8

Please provide a phone number for Maxim Health Services, Inc. and provide a replacement page 8.

Revised page 8R is attached following the ownership information after this page.

Page Two
March 26, 2018

3. Section A, 6.B (1) Plot Plan

Please provide a plot plan as referenced in attachment Section A-6B-1.

4. Section A, 6.B (2) Floor Plan

Please provide a floor plan as referenced in attachment A-6B-2.

The submitted application's references to those two attachments were an error. The project requires no construction or new location and neither a plot plan or floor plan is required. Attached following this page is revised page 10R with those references removed.

5. Section A, 6.B (3) Public Transportation Routes

Please provide public transportation information as referenced in Attachment Section A-6B-3.

The submitted application's reference to public transportation was an error. There is no public transportation data required for a home health service. Attached following this page is revised page 10R with the reference removed.

6. Section A, Purpose of Review, Item 8, Page 11

Please check the purpose for review and submit a replacement page 11.

The requested correction has been made on revised page 11R, attached following this page.

Page Three
March 26, 2018

7. Section A, Purpose of Review, Item 8

It is noted the applicant has no contract with TennCare Select. However, in the applicant's 2017 JAR the applicant provided 377,305 hours of home health aide and skilled nursing services to TennCare Select patients, or 68% of the Agency percentage of total services. Please clarify.

The applicant is currently contracted with TennCare Select through the applicant's Blue Cross contract, which authorizes participation in both BlueCare and Select. Revised page11R with an additional check mark for TennCare is provided in response to your question #6 above.

8. Section A, Home Health Care Organizations, Item 11, Page 14

It appears the applicant in error checked Carroll County rather than Cannon County for the proposed licensed county. If so, please correct and submit a revised page 14 labeled as 14R.

Corrected and revised page 14R is provided on the following page.

9. Section B, Need, Item 1.a. (Project Specific Criteria-Home Health Services), Page 19.

a. The table on page 19 with a total of 10,646 2017 home health patients served in 2017 in the proposed service area is noted. However, please clarify the reason it does not match the table on page 32 that list 9,910 home health patients during the same period and proposed service area.

The applicant's 9,910 patient number came from applicant's page 37d, Table Need-5C--which tabulated patients reported in Schedule E (unduplicated patients) in the Joint Annual Reports of the 46 agencies included in the analysis. The applicant has carefully repeated the tabulation, and finds that it should be increased 0.4% to 9,948 patients (we have added 38 patients served by Maury Regional Home Services and by Kindred at Home/Gentiva). This small adjustment is shown in revised pages 32R, and 37dR through 37fR following this page. However, this is a negligible adjustment that does not change any of the applicant's conclusions.

Page Four
March 26, 2018

The applicant has asked TDH to look into why its methodology differs from the JAR Schedule E data. It may be found that the TDH included data on specialized agencies such as Optum Women's and Children's Health, which is authorized only to serve high-risk pregnant women. These were excluded from the applicant's analysis because they are not "similar" providers. Or TDH data may have come from a JAR section other than Section E. The applicant can not provide the explanation at this time. That is TDH's responsibility.

However, please note that the difference now between the TDH's and the applicant's "patients served" (10,646 vs. 9,948) is now only 6.5%, which does not appear to be significant in terms of evaluating the need for the project. The applicant continues to regard the State Plan methodology as unreliable in projecting need for home care services.

b. Marshall County 2017 home health patient utilization appear to be overstated and Maury County 2017 home health patient utilization appear to be understated as compared to the table on page 32. Please verify all 2017 JAR home health utilization for the proposed service area and if needed revise the table on page 19.

The full TDH table of all counties is attached following this page, to verify that page 19 accurately reproduced TDH data. Mr. Trent Sansing at TDH is looking into the seemingly over- and under-statement of the two counties' data, and may provide the Agency with additional information. Please note that the applicant's tabulation from original JAR's indicates 777 and 2,498 patients served in Marshall and Maury Counties, respectively, based on Schedule E .

c. It appears Pentec Health, Vanderbilt HC w/ Option Care IV Services, and Implanted Pump Management did not report 2017 JAR information for the proposed service area. Please clarify.

Pentec and Implanted Pump Management have not yet received State ID numbers or had their first JAR due. The Vanderbilt agency simply did not file a 2017 JAR and the applicant has no knowledge of why.

March 26, 2018

Joint Annual Report of Home Health Agencies - 2017 Final

Comparison of Population Based Need Projection vs. Actual Utilization (2020 vs. 2017)**

Service Area	Agencies Report Serving	Total Patients Served	Estimated 2017 Pop.	Use Rate	Projected 2020 Pop.	Projected Capacity	Projected Need (.015 x 2020 Pop.)	Need or (Surplus) for 2020
Tennessee	1,530	171,797	6,886,441	0.0249471389	7,112,424	177,435	106,686	(70,748)
Anderson	20	2,375	78,026	0.0304385718	79,061	2,407	1,186	(1,221)
Bedford	20	1,563	50,301	0.0310729409	51,961	1,615	779	(835)
Benton	12	773	16,700	0.0462874251	16,741	775	251	(524)
Bledsoe	12	301	13,333	0.0225755644	13,481	304	202	(102)
Blount	20	2,786	134,882	0.0206550911	139,725	2,886	2,096	(790)
Bradley	19	2,815	106,600	0.0264071295	109,706	2,897	1,646	(1,251)
Campbell	21	1,106	41,559	0.0266127674	41,787	1,112	627	(485)
Cannon	14	873	14,562	0.0599505562	14,838	890	223	(667)
Carroll	15	1,543	28,744	0.0536807682	28,782	1,545	432	(1,113)
Carter	12	1,811	59,848	0.0302599920	60,733	1,838	911	(927)
Cheatham	25	850	41,038	0.0207125104	41,692	864	625	(238)
Chester	13	505	18,450	0.0273712737	18,978	519	285	(235)
Claiborne	16	1,174	34,038	0.0344908632	34,713	1,197	521	(677)
Clay	8	236	7,884	0.0299340436	7,875	236	118	(118)
Cocke	14	1,237	37,163	0.0332857950	37,663	1,254	565	(689)
Coffee	18	2,773	56,423	0.0491466246	57,865	2,844	868	(1,976)
Crockett	11	623	14,936	0.0417113016	15,080	629	226	(403)
Cumberland	15	1,672	62,847	0.0266042930	65,575	1,745	984	(761)
Davidson	32	12,462	689,338	0.0180782142	714,756	12,922	10,721	(2,200)
Decatur	14	629	11,992	0.0524516344	12,077	633	181	(452)
DeKalb	15	962	19,796	0.0485956759	20,206	982	303	(679)
Dickson	20	1,318	54,315	0.0242658566	56,210	1,364	843	(521)
Dyer	11	2,225	39,458	0.0563890719	39,872	2,248	598	(1,650)
Fayette	18	793	45,626	0.0173804410	48,510	843	728	(115)
Fentress	9	722	18,957	0.0380861951	19,309	735	290	(446)
Franklin	17	1,311	42,255	0.0310259141	42,681	1,324	640	(684)
Gibson	18	2,044	51,668	0.0395602694	52,438	2,074	787	(1,288)
Giles	11	908	30,385	0.0298831660	30,691	917	460	(457)
Grainger	19	975	24,073	0.0405018070	24,577	995	369	(627)
Greene	19	2,135	73,075	0.0292165583	74,656	2,181	1,120	(1,061)
Grundy	14	475	13,999	0.0339309951	14,088	478	211	(267)
Hamblen	18	2,640	65,774	0.0401374403	67,028	2,690	1,005	(1,685)
Hamilton	18	8,700	359,331	0.0242116600	368,666	8,926	5,530	(3,396)
Hancock	10	434	6,970	0.0622668580	7,007	436	105	(331)
Hardeman	14	836	27,287	0.0306372998	27,278	836	409	(427)
Hardin	15	1,141	26,618	0.0428657300	26,783	1,148	402	(746)
Hawkins	18	1,905	59,043	0.0322646207	59,784	1,929	897	(1,032)
Haywood	12	538	18,348	0.0293219969	18,128	532	272	(260)
Henderson	14	1,272	29,595	0.0429802331	30,298	1,302	454	(848)
Henry	11	1,355	33,605	0.0403213807	34,055	1,373	511	(862)
Hickman	18	664	26,619	0.0249445885	27,363	683	410	(272)
Houston	12	234	8,943	0.0261657162	9,157	240	137	(102)
Humphreys	14	631	19,042	0.0331372755	19,185	636	288	(348)
Jackson	10	344	12,191	0.0282175375	12,375	349	186	(164)
Jefferson	21	1,609	56,406	0.0285253342	58,372	1,665	876	(790)
Johnson	8	657	18,876	0.0348061030	19,112	665	287	(379)
Knox	25	9,452	472,075	0.0200222422	488,993	9,791	7,335	(2,456)
Lake	7	434	8,377	0.0518085233	8,579	444	129	(316)
Lauderdale	12	1,045	28,799	0.0362859822	29,186	1,059	438	(621)
Lawrence	12	1,479	43,344	0.0341223699	43,849	1,496	658	(838)
Lewis	9	350	12,834	0.0272713106	13,072	356	196	(160)

March 26, 2018**Joint Annual Report of Home Health Agencies - 2017 Final****Comparison of Population Based Need Projection vs. Actual Utilization (2020 vs. 2017)****

Service Area	Agencies Report Serving	Total Patients Served	Estimated 2017 Pop.	Use Rate	Projected 2020 Pop.	Projected Capacity	Projected Need (.015 x 2020 Pop.)	Need or (Surplus) for 2020
Lincoln	14	1,110	34,891	0.0318133616	35,469	1,128	532	(596)
Loudon	24	1,536	55,192	0.0278301203	57,923	1,612	869	(743)
McMinn	17	871	54,783	0.0158990928	55,724	886	836	(50)
McNairy	23	2,598	27,337	0.0950360318	27,760	2,638	416	(2,222)
Macon	18	1,343	23,639	0.0568128939	24,202	1,375	363	(1,012)
Madison	13	1,295	104,031	0.0124482126	106,352	1,324	1,595	271
Marion	16	597	29,649	0.0201355864	30,129	607	452	(155)
Marshall	18	3,094	33,491	0.0923830283	34,648	3,201	520	(2,681)
Maury	17	717	89,512	0.0080100992	92,944	744	1,394	650
Meigs	17	386	12,285	0.0314204314	12,462	392	187	(205)
Monroe	16	1,414	48,511	0.0291480283	50,062	1,459	751	(708)
Montgomery	23	3,163	206,595	0.0153101479	221,620	3,393	3,324	(69)
Moore	9	65	6,869	0.0094628039	7,056	67	106	39
Morgan	18	445	23,626	0.0188351816	24,288	457	364	(93)
Obion	12	1,445	31,655	0.0456483968	31,559	1,441	473	(967)
Overton	10	667	23,678	0.0281696089	24,291	684	364	(320)
Perry	6	332	8,315	0.0399278413	8,466	338	127	(211)
Pickett	7	218	5,223	0.0417384645	5,264	220	79	(141)
Polk	13	476	17,538	0.0271410651	17,812	483	267	(216)
Putnam	15	3,035	80,838	0.0375442243	84,087	3,157	1,261	(1,896)
Rhea	17	683	34,262	0.0199346214	35,216	702	528	(174)
Roane	21	1,758	55,813	0.0314980381	56,301	1,773	845	(929)
Robertson	28	1,597	75,017	0.0212885079	78,659	1,675	1,180	(495)
Rutherford	32	5,155	323,441	0.0159379918	350,488	5,586	5,257	(329)
Scott	14	709	22,976	0.0308582869	23,224	717	348	(368)
Sequatchie	17	367	16,125	0.0227596899	16,943	386	254	(131)
Sevier	18	1,862	102,998	0.0180780209	108,468	1,961	1,627	(334)
Shelby	27	17,580	964,804	0.0182213175	981,022	17,876	14,715	(3,160)
Smith	15	814	20,378	0.0399450388	20,833	832	312	(520)
Stewart	12	351	14,118	0.0248618785	14,402	358	216	(142)
Sullivan	15	5,572	159,191	0.0350019788	159,749	5,592	2,396	(3,195)
Sumner	30	4,207	181,647	0.0231603054	190,261	4,407	2,854	(1,553)
Tipton	17	1,122	68,247	0.0164402831	71,196	1,170	1,068	(103)
Trousdale	16	261	8,477	0.0307891943	8,739	269	131	(138)
Unicoi	10	638	18,921	0.0337191480	19,150	646	287	(358)
Union	14	390	20,020	0.0194805195	20,320	396	305	(91)
Van Buren	9	203	5,661	0.0358593888	5,686	204	85	(119)
Warren	16	2,063	41,019	0.0502937663	41,446	2,084	622	(1,463)
Washington	15	3,723	135,611	0.0274535252	140,905	3,868	2,114	(1,755)
Wayne	10	753	17,491	0.0430507118	17,642	760	265	(495)
Weakley	14	1,175	36,205	0.0324540809	36,360	1,180	545	(635)
White	17	1,519	27,781	0.0546776574	28,541	1,561	428	(1,132)
Williamson	33	3,572	220,746	0.0161814937	241,597	3,909	3,624	(285)
Wilson	27	3,221	131,486	0.0244969046	138,561	3,394	2,078	(1,316)

*Most recent year of Joint Annual Report data for Home Health Agencies

**Data is projected three years from the latest available year of final Home Health Joint Annual Report data.

Population Data Source: The University of Tennessee Center for Business and Economic Research Projection Data Files, reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment.

Note: Population data may not match University of Tennessee data exactly due to rounding.

Page Five
March 26, 2018

**10. Section B, Need, Item 1.a. (Project Specific Criteria-Home Health Services)
Item #4**

a. Please explain why there are no support letters from providers located within the proposed 7 county service area.

Most of Maxim's patients are children and adolescents with complex care needs. Such patients living in rural areas are typically not cared for by providers in their home counties. They are cared for by pediatric specialists and subspecialists in large urban hospitals such as Vanderbilt and Saint Thomas Murfreesboro. There are no letters from providers located in the 7-county rural area, because rurally-based medical practices rarely include such patients. Maxim's strong support letters are from physicians, nurses, and other persons in nearby urban areas who do have direct experience of the difficulties of obtaining what Maxim will provide to the area.

b. Please explain why Dekalb County is left off all submitted support letters except for one.

The applicant is not able to explain why this occurred; it was the decision of the persons who wrote the letters.

c. It is noted there are 2 support letters from Mercy Community Health expressing the need for adult home health services in the proposed service area. Please clarify if this is an error since the applicant is proposing to provide a majority of home health services to pediatric patients.

This does not appear to be an error. It appears to be their intent to identify a need for more home care for both adults and younger persons, of the types Maxim is known to provide.

Page Six
March 26, 2018

d. Please provide letters from providers who were unable to successfully refer a pediatric, adult, and/or geriatric patient to a home care organization and/or were dissatisfied with the quality of services provided by existing home care organization based on Medicare's system Home Health compare and/or similar data. Please also include instances where potential patients or providers in the proposed service area attempted to find appropriate home health services but were not able to secure such services.

Respectfully, the applicant can not provide more specific letters. The applicant believes that accusatory negative letters citing agencies for not meeting specific patients' needs are not obtainable from medical providers who must utilize existing agencies to the extent possible. Not only business relationship issues, and medical confidentiality issues, but also personal liability issues, are legitimate concerns to professionals when voicing their feelings. The letters provided by Maxim show clearly that these providers are having a less than optimal experience in obtaining appropriate and timely home care for their patients.

**11. Section B, Need, Item 1.a. (Project Specific Criteria-Home Health Services)
Item #5**

a. The applicant notes it is possible Vanderbilt HC/Option Care IV services may have merged with another agency. Please verify the licensure status of Vanderbilt HC/Option Care IV services with the Tennessee Department of Health.

The TDH website shows that this Agency holds license #609, which is scheduled to expire August 1, 2018. The website says that the Agency's accreditation expired April 14, 1997. That is all the information available to the applicant.

b. Please clarify the location in the application where the applicant provided three years of JAR patient data for every home health agency with authorization to provide home care to patients in any of the counties in the project service area.

It is provided in Table Need-5-J on page 37K of the submitted application.

Page Seven
March 26, 2018

**12. Section B, Need, Item 1.a. (Project Specific Criteria-Home Health Services)
Item #8**

a. Please clarify if the applicant will contract with TennCare Select.

The applicant does already contract with TennCare Select through its contract with Blue Cross, who administers Select. Please see revised page 11R that was provided in response to your supplemental question #12.

**b. Please review the letter titled “Are you thinking about applying for a CON to provide Home Health or Private Duty Nursing Services in Tennessee” from TennCare and confirm the applicant understands each key point included in the letter at the following web-site:
<https://www.tn.gov/content/dam/tn/hsda/documents/TennCare%20Memo%20Relating%20to%20Home%20Health.pdf>**

The applicant has reviewed the letter as requested. This letter is familiar to the applicant, who is currently contracted to all area MCO's.

c. Please provide documentation from each Managed Care Organization as to whether their panels are open and there is a need for home health services in the proposed 7 County service area.

Attached after this page are emails from each MCO, showing positive support for the expansion proposed in this application, and indicating that its inclusion in Maxim's contracts will be approved.

March 26, 2018**9:52 A.M.**CONFIRMATION FROM UNITED HEALTHCARE

From: Clark, Beth A [mailto:beth_a_clark@uhc.com]
Sent: Wednesday, March 21, 2018 4:58 PM
To: Gary Boldizar
Cc: Zeoli, Cheryl M
Subject: RE: Maxim Healthcare Nashville CON Expansion Support

Maxim Healthcare has had a national agreement in place with United Healthcare since 2006 and is contracted to provide services for Commercial, Medicare and Medicaid where Maxim has applicable licensure. Maxim obtaining a CON for the seven counties in Tennessee (Maury, Marshall, Cannon, Hickman, Bedford, Dekalb and Coffee) would provide United with additional coverage in those counties and provides patients with expanded access to care.

Thanks,

BethAnn

Beth Ann Clark
UnitedHealth Networks
Manager, National Ancillary Strategy & Contracting
1 Penn Plaza 8th floor New York, NY 10119
212-216-6914
beth_a_clark@UHC.com

This e-mail, including attachments, may include confidential and/or proprietary information, and may be used only by the person or entity to which it is addressed. If the reader of this e-mail is not the intended recipient or his or her authorized agent, the reader is hereby notified that any dissemination, distribution or copying of this e-mail is prohibited. If you have received this e-mail in error, please notify the sender by replying to this message and delete this e-mail immediately. This email message is not a contract. Entering into a binding agreement or amendment requires a paper document signed in ink by both parties.

CONFIRMATION FROM AMERIGROUP

From: Kinnard, Paula C. [<mailto:Paula.Kinnard@amerigroup.com>] **Sent:** Thursday, March 22, 2018 11:01 AM **To:** Steven Rider; McNeal, Stephanie; Thomas, Christa **Cc:** Matt Corbin **Subject:** RE: Maxim Healthcare Nashville CON Expansion Support

Hi Steven. Yes, we would be able to add these counties to the current Amerigroup contract. Our provider panel is still open for home health and private duty nursing services.

Thanks so much. Keep us posted.

Paula Kinnard, *Provider Network Manager Senior*
Amerigroup Community Care of Tennessee
22 Century Boulevard, Suite 220, Nashville, Tennessee 37214
O: (615) 316-2479 | M: (615) 509-0840
paula.kinnard@amerigroup.com

March 26, 2018**9:52 A.M.**CONFIRMATION FROM BLUECARE/SELECT**From:** "Burdette, Steve" <Steven_Burdette@bcbst.com>**Date:** March 21, 2018 at 7:28:48 AM CDT**To:** 'Matt Corbin' <macorbin@maxhealth.com>, "Liebhart, Mary Beth"<Mary_Liebhart@bcbst.com>, "Mason, Shawanna" <Shawanna_Mason@BCBST.COM>,"Curtis, Tracy" <Tracy_Curtis@BCBST.com>**Cc:** Jimmy Nichols <jnichol@maxhealth.com>, Laurie Phipps <laphipps@maxhealth.com>,Steven Rider <strider@maxhealth.com>**Subject:** RE: Maxim Healthcare Nashville CON Expansion Support

Good morning Matt,

Thank you for the information below. By way of this e-mail I can confirm that should Maxim be successful in expanding their service area to the counties listed below, BCBST will be able to add these locations to Maxim's contract for services for our members. If you need any additional information regarding this please let me know.

Thanks,

Steve

Steve Burdette

Director, Provider Networks & Contracting

Ancillary & Behavioral Health



1 Cameron Hill Circle

Chattanooga, TN 37402

Office: 423.535.1107

E-mail: Steve_Burdette@bcbst.com

Page Eight
March 26, 2018

**13. Section B, Need, Item 1.a. (Project Specific Criteria-Home Health Services)
Item #10**

a. Please provide documentation of access of adequately trained staff specific to the needs of the pediatric home health population and a plan to provide ongoing best practice education. In your response, please provide the source of the best practice education.

Maxim recruits its caregiver staff from the pool of experienced home health care nurses that are available to drive to patient homes within its service area. Maxim has never been unsuccessful in attracting a sufficient and highly capable workforce for new service areas.

For nurses who have served primarily adult patients in the past, Maxim provides a special training program called “Adults to Peds”, in which skilled supervisors assess their skills and training needs and design a program to ensure their competencies in pediatric services. This includes in-home patient care orientation, under the direction of an experienced RN supervisor.

All Maxim nurse caregivers are given an annual Pediatric Competency Assessment and must complete 12 credits of continuing education and training each year from an array of pediatric training modules, including but not limited to the following 16. Teams utilize the Visiting Nurse Association of America’s CLINICAL PROCEDURE MANUAL 18th EDITION - Specifically Section 19: Pediatrics.

- 1.) Approach to Pediatric Physical Assessment (1 ICE/1 CEU)
- 2.) Beginning Pediatric Nursing: Adolescents (1 ICE/0.50 CEU)
- 3.) Beginning Pediatric Nursing: Neonates, Infants and Toddlers (1 ICE/0.50 CEU)
- 4.) Beginning Pediatric Nursing: Preschoolers (1 ICE/0.50 CEU)
- 5.) Beginning Pediatric Nursing: School-age Children (1 ICE/0.50 CEU)
- 6.) Family-Centered Care/Cultural Aspects in Pediatrics (1 ICE/1 CEU)
- 7.) Identifying and Managing Pain in Children (2 ICE/1.50 CEU)
- 8.) Neurological Assessment of the Pediatric Patient (1 ICE/1 CEU)
- 9.) Parents of Hospitalized Children (1 ICE/1 CEU)
- 10.) Pediatric Hydration and Fluid Volume Distribution (2 ICE/2 CEU)
- 11.) Pediatric Medication Calculation and Administration (2 ICE/1.50 CEU)
- 12.) Pediatric Physical Assessment Part 1 (1 ICE/1 CEU)
- 13.) Pediatric Physical Assessment Part 2 (1 ICE/1 CEU)
- 14.) Pediatrics and Disabilities (1 ICE)
- 15.) Respiratory Distress in the Pediatric Patient: Anatomy, Physiology, and Breath Sounds (1 ICE/0.50 CEU)
- 16.) Respiratory Distress in the Pediatric Patient: Assessment and Intervention (1 ICE/0.50 CEU)

Page Nine
March 26, 2018

b. Please use population, service, special needs, and/or incidence rates to document the need for additional pediatric home health services in the proposed 7 county service area.

The pediatric population of Tennessee in 2017 (age 0-17) was estimated by TDH to be 1,582,441. The Tennessee Department of Health, Health Statistics section reports that 3,602 pediatric patients were served in Tennessee in 2016/2017, according to JAR Schedule E data. That was a rate of 227.62302 patients per 100,000 Tennessee residents age 0-17 years:

State population ages 0-17 years, 2017:	1,582,441
Pediatric home health patients, 2017:	3,602
Pediatric patient rate/100,000 ped. population:	227.62302

In the project service area, the pediatric population was 67,986 in 2017.

2017 Pediatric Population Project Service Area	
Bedford	13,180
Cannon	2,936
Coffee	13,195
DeKalb	4,303
Hickman	5,415
Marshall	7,758
Maury	21,199
Service Area	67,986

Applying the Statewide pediatric patient home healthcare rate to the service area indicates that there may be as many as 155 pediatric patients who needed care.

Pediatric Patient Rate, Statewide:	227.62302 / 100K Ped. Pop.
Project Service Area Pediatric Population:	67,986
Projected Pediatric Patients Needing Care:	$227.62302 \times .67,986 = 155$

There were 72 pediatric patients served in the project service area last year. This suggests that there may have been 83 additional pediatric patients that needed home care but did not receive home care. Maxim is requesting authorization to serve approximately 25 pediatric patients in Year Two.

Page Ten
March 26, 2018

c. Please clarify if the applicant is basing the need for additional home health services in the proposed service area on pediatric or adult services.

The applicant is basing need primarily on the pediatric population.

d. Please clarify if the applicant is proposing to serve pediatric only, thus placing a condition on the CON if approved.

The applicant needs to serve a very small number of adult patients in order for it to be financially feasible to serve pediatric patients. A condition restricting Maxim to serving only pediatric patients would not be acceptable.

Consider that this project in Year Two will serve only 36 patients, of whom approximately 11 will be adults. That compares to the service area's total home health patient population of almost 10,000 persons last year. There is no logical reason why restriction of the applicant to pediatric patients only would be necessary. Such a condition was not imposed in five prior approved applications for Maxim to serve the urban areas of the State.

14. Section B, Need, Item 6 (Service Area Utilization)

a. It is noted the applicant is projecting 18 patients in Year One and 36 patients in Year Two. Please clarify the number of pediatric, adult, and geriatric patients projected in Year One and Year Two.

	Pediatric Patients 0-17 Years (70%)	Adult Patients 18-64 Years (20%)	Geriatric Patients 65+ Years (5%)	Total Patients (100%)
Year One	12.6	4.5	0.9	18
Year Two	25.0	9.0	1.9	36

Page Eleven
March 26, 2018

b. Please complete the following chart for your service area counties.

Total Home Health Patients Trends by County of Residence

County	2015 JAR Total residents served	2016 JAR Total residents served	2017 JAR Total residents served	'15-'17 % change
Bedford	1,136	1,250	1,541	+35.7%
Cannon	472	595	871	+84.5%
Coffee	1,501	1,874	2,648	+76.4%
DeKalb	635	747	959	+51.0%
Hickman	565	658	654	+15.8%
Marshall	800	843	777	-2.9%
Maury	2,488	2,539	2,498	+0.4%
Total	7,597	8,506	9,948	+30.95%

c. The table labeled “Need 6-C” on page 39c is noted. However, the number of patients in Year 2 does not add up to 36. Please clarify.

The error was in placement of a decimal point in the patient columns. A corrected table Need-6c, revised page 39c, is attached following this page.

d. Table Need-6D on page 39D is noted. Please clarify how the applicant calculated 311 patients in Year One and 365 in Year Two while the Projected Data Chart projects 18 and 36 in Year One and Year Two, respectively.

The page 39d table was for the entire service area with the project included. Attached after this page is a similar table for just the proposed service area counties, labeled “Page Two” and numbered as revised page 39d-R.

Page Twelve
March 26, 2018

15. Section B. Economic Feasibility Item 3. (Historical Data Chart)

a. Please note salaries and rent are located in the incorrect lines in the Historical Data Chart. Please correct and include changes in the revised Historical Data Chart.

b. Other expenses on page 45 in the amount of \$1,336,649 in 2015, \$1,829,789 in 2015, and \$1,804,125 in 2017 are noted. Please include those totals in the Historical Data Chart and include in the revised Historical Data Chart.

The requested revisions have been made on the revised Historic Data Chart attached following this page.

16. Section B. Economic Feasibility Item 3. (Projected Data Chart)

a. Project Only Projected Data Chart

(1) Please specify line B.4 "Other Operating Revenue" in the amount of \$79,560 in 2019 and \$159,210 in Year Two.

(2) There is not a line D.1 in the Projected Data Chart. Please specify salaries as clinical (D1.a) or non-clinical (D1.B) and submit a revised Historical Data Chart.

(3) Other expenses in the amount of \$89,406 in 2019 and \$178,812 in 2020 on page 48 are noted. However, please include in those total in the revised Projected Data Chart.

b. Total Facility Projected Data Chart

(1) Please note salaries and wages and rent are located in the incorrect line. Please revise and submit a revised Projected Data Chart.

(2) Please transfer other expenses in the amount of \$2,042,515 in 2019 and \$2,372,619 in 2020 on page 50 to the line D.6 on the Projected Data Chart and include in the revised Projected Data Chart.

The revisions requested in all of the above have been made on the two revised Projected Data Charts that are attached following this page.

Page Thirteen
March 26, 2018

17. Section B. Economic Feasibility Item 5.A

Your response is noted. Please clarify how the applicant calculated average charges per hour in Year One and Year Two.

These are Maxim's current average charges per hour and they are not projected to change.

Also, the applicant has attached replacement pages 51R and 52R after this page, to complete the titles of tables that were incomplete in the original submittal.

18. Section B. Economic Feasibility Item 6.B.

The operating margin ratio in Year 1 and Year 2 appear to calculate at 31.7% not 29.94% and 30.15%. Please verify.

The following calculations are made from the revised Historic and Projected Data Charts submitted in this supplemental response. The application directs that operating margin ratios be calculated from the Historic and Projected Data Charts. There is no current year data in those Charts. Attached following this page is a replacement page 53R for the application, showing these new tables.

For the Middle Tennessee Agency:

	2 nd Yr Previous to Current Yr	1 st Yr Previous to Current Yr	Current Yr	Projected Yr 1	Projected Yr 2
Net Operating Margin Ratio	20.04%	22.0%	--	21.2%	21.5%

For the Project Only:

	2 nd Yr Previous to Current Yr	1 st Yr Previous to Current Yr	Current Yr	Projected Yr 1	Projected Yr 2
Net Operating Margin Ratio	NA	NA	NA	23.0%	23.0%

Page Fourteen
March 26, 2018

19. Section B. Economic Feasibility Item 6.C.

Please complete the capitalization ratio for the proposed project.

This calculation is provided on the following page, revised page 54R.

20. Section B, Contribution to Orderly Development, Item 2.B

The applicant notes this proposed project will not adversely affect existing providers if approved. However, the applicant projects 36 patients in the Year 2 of the proposed project which is 50% of the pediatric home health patients served in the 7 county service area in 2017. Please clarify how this application would not impact existing pediatric providers.

There are two reasons. First, Maxim's entry into this rural area, with Maxim's relationships with Middle Tennessee physicians who seek home care for pediatric patients, will serve some pediatric patients who need care but are not now receiving care--i.e., new patients. See the response to your question #13b above. Not all of Maxim's pediatric patients will be taken from existing agencies.

Second, unlike Maxim, all 10 existing pediatric providers serve Medicare adults as well as youth. On the second following page is a partial reprint of applicant's Table Need-5E (page 37f of the application). It shows the following:

- The 10 providers who served 72 youth in this service area served a total of 18,765 patients of all ages, Statewide.
- Those pediatric providers served 4,548 patients of all ages from this project's proposed service area.
- Maxim's projected 25 pediatric patients in Year Two--even if all came from existing caseloads of other agencies--would be only one half of one percent of the group's total caseloads from this service area, and would be only a tenth of one percent of these agencies' Statewide patient volumes. This would not be a significant collective impact. In addition, total home health patients in this service area increased more than 30% in the past two years; so market growth should quickly replace any impact Maxim could have on these providers.
- Two existing agencies serve a small number of service area patients (38 combined); and half of those (19) are pediatric patients. Yet that small number of pediatric patients is only 3.21% and 0.22% (respectively) of their Statewide cases--again, presenting a minimal risk of significant impact from Maxim.

March 26, 2018

9:52 A.M.

Partial Table Need-5E: Existing Agency Dependence on Service Area Pediatric Patients (Supplemental)								
Health Statistics ID	Agency County		Agency Patients From Project Service Area Counties	Total Agency Patients in TN	% of Agency's TN Patients Coming from Project Service Area	Agency's Pediatric Patients From Service Area Counties	Agency's Pediatric Patients From Project Service Area-- As % of Agency's Total Patients from Project Service Area	Agency's Pediatric Patients From Project Service Area-- As % of Agency's Statewide Patients
19494	Davidson	Elk Valley Health Services, Inc.	30	468	6.4%	15	50.00%	3.21%
60084	Maury	Quality First Home Care	385	1,181	32.6%	22	5.71%	1.86%
89074	Warren	Careall Home Care Services	57	529	10.8%	5	8.77%	0.95%
19724	Davidson	Careall	30	633	4.7%	5	16.67%	0.79%
60044	Maury	Maury Regional Home Services	1,161	1,548	75.0%	10	0.86%	0.65%
19584	Davidson	Home Health Care of Middle Tennessee	200	2,608	7.7%	6	3.00%	0.23%
06063	Bradley	Home Health Care of East Tennessee, Inc	8	1,810	0.4%	4	50.00%	0.22%
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	281	1,811	15.5%	3	1.07%	0.17%
60024	Maury	NHC Homecare	1,069	2,855	37.4%	1	0.09%	0.04%
21024	Dekalb	Suncrest Home Health	1,327	5,322	24.9%	1	0.08%	0.02%
		TOTALS	4,548	18,765	24.2%	72	1.58%	0.38%

Source: TDH 2017 Joint Annual Reports, pp. 8-10; HSDA Registry for authorized counties.

Page Fifteen
March 26, 2018

21. Section B, Quality Measures

Please verify and acknowledge the applicant will be evaluated annually whether the proposal will provide health care that meets appropriate quality standards upon the following factors:

(3) Quality. Whether the proposal will provide health care that meets appropriate quality standards may be evaluated upon the following factors:

(a) Whether the applicant commits to maintaining staffing comparable to the staffing chart presented in its CON application;

The applicant acknowledges this and commits to it.

(b) Whether the applicant will obtain and maintain all applicable state licenses in good standing;

The applicant acknowledges this and commits to it.

(c) Whether the applicant will obtain and maintain TennCare and Medicare certification(s), if participation in such programs was indicated in the application;

The applicant acknowledges this and commits to it.

(d) Whether an existing healthcare institution applying for a CON has maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of non-compliance, the nature of non-compliance and corrective action shall be considered;

The applicant has maintained substantial compliance and will continue to do so.

(e) Whether an existing health care institution applying for a CON has been decertified within the prior three years. This provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility;

The applicant has not been decertified during this period or for any period.

Page Sixteen
March 26, 2018

(f) Whether the applicant will participate, within 2 years of implementation of the project, in self-assessment and external assessment against nationally available benchmark data to accurately assess its level of performance in relation to established standards and to implement ways to continuously improve.

1. This may include accreditation by any organization approved by Centers for Medicare and Medicaid Services (CMS) and other nationally recognized programs. The Joint Commission or its successor, for example, would be acceptable if applicable. Other acceptable accrediting organizations may include, but are not limited to, the following:

(xii) Community Health Accreditation Program, Inc., Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for home health services from CMS and participation in the Medicare Quality Initiatives, Outcome and Assessment Information Set, and Home Health Compare, or other nationally recognized accrediting organization, for Home Health projects;

The applicant acknowledges this and commits to it.

(k) For Home Health projects, whether the applicant has documented its existing or proposed plan for quality data reporting, quality improvement, and an outcome and process monitoring system;

The applicant acknowledges this and commits to it.

22. Project Completion Forecast Chart

The Final Project Report form submission of 3/1/2018 is noted. However, it appears incorrect. Please clarify.

The typographical error of “2018” should have read “2019”. Attached following this page is corrected page 68.

Page Seventeen
March 26, 2018

22. Proof of Publication

Please also complete the table below to help illustrate publication of the LOI for the project.

Name of Newspaper of General Circulation	Address	How often is this Newspaper Distributed? (must be weekly or less)	Applicant's Proposed Service Area County	Date LOI Published
Marshall County Tribune	111 West Commerce Street, Lewisburg, TN 37091	Wednesday & Friday and a shopper with just ads on Saturday	Marshall	3/9/2018
Southern Standard	105 College Street, McMinnville, TN 37110	Sunday, Wednesday & Friday	Coffee, DeKalb	3/9/2018
Tennessean	1100 Broadway, Nashville, TN 37203	Daily	Bedford, Cannon, Coffee, DeKalb, Hickman, Maury	3/9/2018

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please email or telephone me so that we can respond in time to be deemed complete.

Respectfully,



John Wellborn
Consultant

MR 26 19 09:53

175

Supplemental #1

March 26, 2018

9:52 A.M.

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: Maxim Healthcare Services
Middle Tennessee

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

John Wellborn
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 26th day of March, 2018, witness my hand at office in the County of Davidson, State of Tennessee.

Perry Garrett
NOTARY PUBLIC

My commission expires January 6th, 2018.

HF-0043

Revised 7/02



My Commission Expires Jan. 6, 2020

Supplemental #2 (Copy)

Maxim Healthcare
Services

CN1803-013

March 28, 2018

Phillip M. Earhart, HSD Examiner
 Tennessee Health Services and Development Agency
 Andrew Jackson Building, 9th Floor
 502 Deaderick Street
 Nashville, TN 37243

RE: CON Application CN1803-013
 Maxim Health Services

Dear Mr. Earhart:

This letter responds to your second request for additional information on this application. The items below are numbered to correspond to your questions. They are provided in triplicate, with affidavit.

1. Section A, 6.B (1) Plot Plan and (2) Floor Plan

Plot and floor plans are required for all CON applications including existing home health agencies. Please provide this information.

The requested plot and floor plans are attached following this page. The plot plan was the only one available for the office building into which Maxim moved pursuant to its last approved CON, and was accepted for that review.

Section B, Need, Item 1.a. (Project Specific Criteria-Home Health Services) Item #5

Please contact Alecia Craighead, HSDA Information and Data Analyst, to confirm that all home health agencies licensed to serve the counties in the proposed servicer area have been captured in your utilization tables. If not all of the home health agencies have been captured, please update all utilization charts.

The applicant identified these agencies through a report from the Registry. Alecia Craighead prepared that report. The applicant only deleted from the tables the names of agencies too new to have filed JAR's for 2017, and also were too limited in scope to be included as "similar" providers: Pentec; Implanted Pump Management; and Optum Health.

Page Two
March 28, 2018

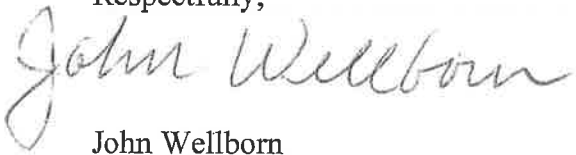
2. Section B. Economic Feasibility Item E.1.

3. Replacement page 51R is noted. Even though the data per patient appear to be correct, the data per visit does not. Please make the appropriate corrections and submit a revised Page 51.

To clarify, the Project Development Chart (for the project only) has two revenue lines. The lower one, \$79,560, is gross revenue just for visits. So the applicant divided that by the 936 visits for the data per visit: $\$79,560 / 936 = \85 . The table on page 51 is accurate.

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please email or telephone me so that we can respond in time to be deemed complete.

Respectfully,

A handwritten signature in cursive script that reads "John Wellborn".

John Wellborn
Consultant



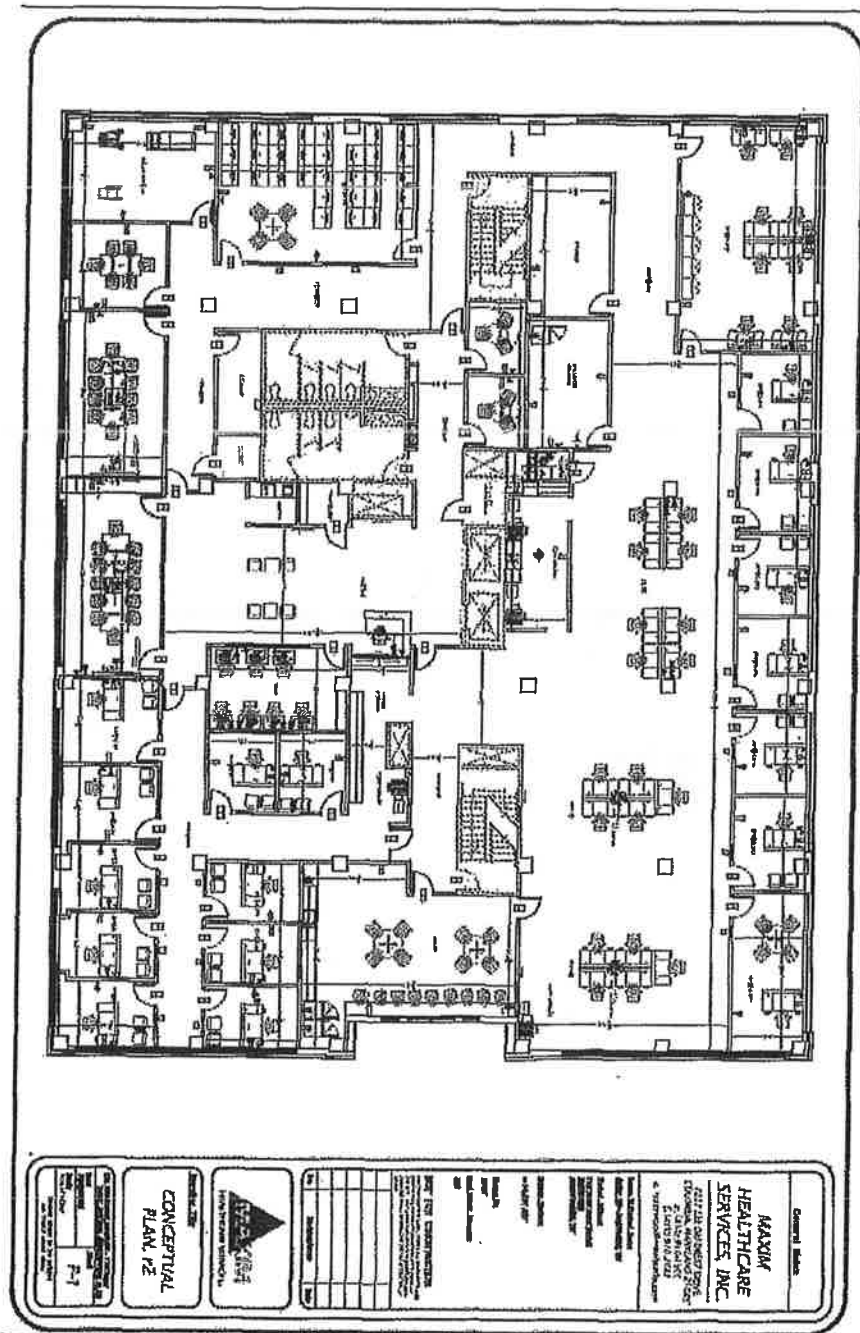
115 East Park Drive
Brentwood, TN

March 28, 2018

1:18 P.M.

EXHIBIT B
Section 3

Floor and Detail Plans



20180328

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: Maxim Health Care Services

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

John Wellborn
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 28th day of March, 2018, witness my hand at office in the County of Davidson, State of Tennessee.

[Signature]
NOTARY PUBLIC

My commission expires July 2, 2018.

HF-0043

Revised 7/02



20180309 10:18:42

LETTER OF INTENT -- HEALTH SERVICES & DEVELOPMENT AGENCY

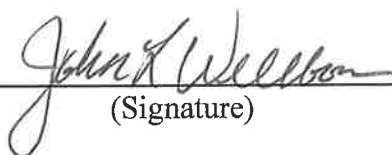
The Publication of Intent is to be published on or before March 9, 2018, for one day, in the following newspapers of general circulation in the counties noted:

- (a) The *Tennessean*, which is a newspaper of general circulation in Bedford, Cannon, Coffee, DeKalb, Hickman, and Maury Counties;
- (b) The *Marshall County Tribune*, which is a newspaper of general circulation in Marshall County; and
- (c) the *Southern Standard*, which is a newspaper of general circulation in Cannon and DeKalb Counties.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Maxim Healthcare Services (a home health agency), owned and managed by Maxim Healthcare Services, Inc. (a corporation), intends to file an application for a Certificate of Need to expand its authorized service area to include 7 Middle Tennessee counties, which are Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties. The current service consists of 9 counties: Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson Counties. The project cost is estimated at \$75,000. The agency's principal office for this service area is located at 115 East Park Drive, Suite 200, Brentwood, TN 37027.

The project does not contain major medical equipment or initiate or discontinue any other health service; and it will not affect any facility's licensed bed complements.

The anticipated date of filing the application is on or before March 14, 2018. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

 (Signature)	3-8-18 (Date)	jwdsg@comcast.net (E-mail Address)
--	------------------	---------------------------------------

**RULES
OF
HEALTH SERVICES AND DEVELOPMENT AGENCY**

**CHAPTER 0720-11
CERTIFICATE OF NEED PROGRAM – GENERAL CRITERIA**

TABLE OF CONTENTS

0720-11-.01 General Criteria for Certificate of Need

0720-11-.01 GENERAL CRITERIA FOR CERTIFICATE OF NEED. The Agency will consider the following general criteria in determining whether an application for a certificate of need should be granted:

- (1) Need. The health care needed in the area to be served may be evaluated upon the following factors:
 - (a) The relationship of the proposal to any existing applicable plans;
 - (b) The population served by the proposal;
 - (c) The existing or certified services or institutions in the area;
 - (d) The reasonableness of the service area;
 - (e) The special needs of the service area population, including the accessibility to consumers, particularly women, racial and ethnic minorities, TennCare participants, and low-income groups;
 - (f) Comparison of utilization/occupancy trends and services offered by other area providers;
 - (g) The extent to which Medicare, Medicaid, TennCare, medically indigent, charity care patients and low income patients will be served by the project. In determining whether this criteria is met, the Agency shall consider how the applicant has assessed that providers of services which will operate in conjunction with the project will also meet these needs.
- (2) Economic Factors. The probability that the proposal can be economically accomplished and maintained may be evaluated upon the following factors:
 - (a) Whether adequate funds are available to the applicant to complete the project;
 - (b) The reasonableness of the proposed project costs;
 - (c) Anticipated revenue from the proposed project and the impact on existing patient charges;
 - (d) Participation in state/federal revenue programs;
 - (e) Alternatives considered; and
 - (f) The availability of less costly or more effective alternative methods of providing the benefits intended by the proposal.

(Rule 0720-11-.01, continued)

- (3) Quality. Whether the proposal will provide health care that meets appropriate quality standards may be evaluated upon the following factors:
 - (a) Whether the applicant commits to maintaining an actual payor mix that is comparable to the payor mix projected in its CON application, particularly as it relates to Medicare, TennCare/Medicaid, Charity Care, and the Medically Indigent;
 - (b) Whether the applicant commits to maintaining staffing comparable to the staffing chart presented in its CON application;
 - (c) Whether the applicant will obtain and maintain all applicable state licenses in good standing;
 - (d) Whether the applicant will obtain and maintain TennCare and Medicare certification(s), if participation in such programs was indicated in the application;
 - (e) Whether an existing healthcare institution applying for a CON has maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of non-compliance, the nature of non-compliance and corrective action shall be considered;
 - (f) Whether an existing health care institution applying for a CON has been decertified within the prior three years. This provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility;
 - (g) Whether the applicant will participate, within 2 years of implementation of the project, in self-assessment and external peer assessment processes used by health care organizations to accurately assess their level of performance in relation to established standards and to implement ways to continuously improve.
 1. This may include accreditation by any organization approved by Centers for Medicare and Medicaid Services (CMS) and other nationally recognized programs. The Joint Commission or its successor, for example, would be acceptable if applicable. Other acceptable accrediting organizations may include, but are not limited to, the following:
 - (i) Those having the same accrediting standards as the licensed hospital of which it will be a department, for a Freestanding Emergency Department;
 - (ii) Accreditation Association for Ambulatory Health Care, and where applicable, American Association for Accreditation of Ambulatory Surgical Facilities, for Ambulatory Surgical Treatment Center projects;
 - (iii) Commission on Accreditation of Rehabilitation Facilities (CARF), for Comprehensive Inpatient Rehabilitation Services and Inpatient Psychiatric projects;
 - (iv) American Society of Therapeutic Radiation and Oncology (ASTRO), the American College of Radiology (ACR), the American College of Radiation Oncology (ACRO), National Cancer Institute (NCI), or a similar accrediting authority, for Megavoltage Radiation Therapy projects;
 - (v) American College of Radiology, for Positron Emission Tomography, Magnetic Resonance Imaging and Outpatient Diagnostic Center projects;

(Rule 0720-11-.01, continued)

- (vi) Community Health Accreditation Program, Inc., Accreditation Commission for Health Care, or another accrediting body with deeming authority for hospice services from CMS or state licensing survey, and/or other third party quality oversight organization, for Hospice projects;
 - (vii) Behavioral Health Care accreditation by the Joint Commission for Nonresidential Substitution Based Treatment Center, for Opiate Addiction projects;
 - (viii) American Society of Transplantation or Scientific Registry of Transplant Recipients, for Organ Transplant projects;
 - (ix) Joint Commission or another appropriate accrediting authority recognized by CMS, or other nationally recognized accrediting organization, for a Cardiac Catheterization project that is not required by law to be licensed by the Department of Health;
 - (x) Participation in the National Cardiovascular Data Registry, for any Cardiac Catheterization project;
 - (xi) Participation in the National Burn Repository, for Burn Unit projects;
 - (xii) Community Health Accreditation Program, Inc., Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for home health services from CMS and participation in the Medicare Quality Initiatives, Outcome and Assessment Information Set, and Home Health Compare, or other nationally recognized accrediting organization, for Home Health projects; and
 - (xiii) Participation in the National Palliative Care Registry, for Hospice projects.
- (h) For Ambulatory Surgical Treatment Center projects, whether the applicant has estimated the number of physicians by specialty expected to utilize the facility, developed criteria to be used by the facility in extending surgical and anesthesia privileges to medical personnel, and documented the availability of appropriate and qualified staff that will provide ancillary support services, whether on- or off-site.
- (i) For Cardiac Catheterization projects:
 - 1. Whether the applicant has documented a plan to monitor the quality of its cardiac catheterization program, including but not limited to, program outcomes and efficiencies;
 - 2. Whether the applicant has agreed to cooperate with quality enhancement efforts sponsored or endorsed by the State of Tennessee, which may be developed per Policy Recommendation; and
 - 3. Whether the applicant will staff and maintain at least one cardiologist who has performed 75 cases annually averaged over the previous 5 years (for an adult program), and 50 cases annually averaged over the previous 5 years (for a pediatric program).
- (j) For Open Heart projects:

(Rule 0720-11-.01, continued)

1. Whether the applicant will staff with the number of cardiac surgeons who will perform the volume of cases consistent with the State Health Plan (annual average of the previous 2 years), and whether the applicant will maintain this volume in the future;
 2. Whether the applicant will staff and maintain at least one surgeon with 5 years of experience;
 3. Whether the applicant will participate in a data reporting, quality improvement, outcome monitoring, and peer review system that benchmarks outcomes based on national norms, with such a system providing for peer review among professionals practicing in facilities and programs other than the applicant hospital (demonstrated active participation in the STS National Database is expected and shall be considered evidence of meeting this standard);
- (k) For Comprehensive Inpatient Rehabilitation Services projects, whether the applicant will have a board-certified physiatrist on staff (preferred);
 - (l) For Home Health projects, whether the applicant has documented its existing or proposed plan for quality data reporting, quality improvement, and an outcome and process monitoring system;
 - (m) For Hospice projects, whether the applicant has documented its existing or proposed plan for quality data reporting, quality improvement, and an outcome and process monitoring system;
 - (n) For Megavoltage Radiation Therapy projects, whether the applicant has demonstrated that it will meet the staffing and quality assurance requirements of the American Society of Therapeutic Radiation and Oncology (ASTRO), the American College of Radiology (ACR), the American College of Radiation Oncology (ACRO), National Cancer Institute (NCI), or a similar accrediting authority;
 - (o) For Neonatal Intensive Care Unit projects, whether the applicant has documented its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system; whether the applicant has documented the intention and ability to comply with the staffing guidelines and qualifications set forth by the Tennessee Perinatal Care System Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities; and whether the applicant will participate in the Tennessee Initiative for Perinatal Quality Care (TIPQC);
 - (p) For Nursing Home projects, whether the applicant has documented its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring systems, including in particular details on its Quality Assurance and Performance Improvement program. As an alternative to the provision of third party accreditation information, applicants may provide information on any other state, federal, or national quality improvement initiatives;
 - (q) For Inpatient Psychiatric projects:
 1. Whether the applicant has demonstrated appropriate accommodations for patients (e.g., for seclusion/restraint of patients who present management problems and children who need quiet space; proper sleeping and bathing arrangements for all patients), adequate staffing (i.e., that each unit will be staffed with at least two direct patient care staff, one of which shall be a nurse, at all

(Rule 0720-11-.01, continued)

- times), and how the proposed staffing plan will lead to quality care of the patient population served by the project;
 2. Whether the applicant has documented its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system; and
 3. Whether an applicant that owns or administers other psychiatric facilities has provided information on satisfactory surveys and quality improvement programs at those facilities.
- (r) For Freestanding Emergency Department projects, whether the applicant has demonstrated that it will satisfy and maintain compliance with standards in the State Health Plan;
 - (s) For Organ Transplant projects, whether the applicant has demonstrated that it will satisfy and maintain compliance with standards in the State Health Plan; and
 - (t) For Relocation and/or Replacement of Health Care Institution projects:
 1. For hospital projects, Acute Care Bed Need Services measures are applicable; and
 2. For all other healthcare institutions, applicable facility and/or service specific measures are applicable.
 - (u) For every CON issued on or after the effective date of this rule, reporting shall be made to the Health Services and Development Agency each year on the anniversary date of implementation of the CON, on forms prescribed by the Agency. Such reporting shall include an assessment of each applicable volume and quality standard and shall include results of any surveys or disciplinary actions by state licensing agencies, payors, CMS, and any self-assessment and external peer assessment processes in which the applicant participates or participated within the year, which are relevant to the health care institution or service authorized by the certificate of need. The existence and results of any remedial action, including any plan of correction, shall also be provided.
 - (v) HSDA will notify the applicant and any applicable licensing agency if any volume or quality measure has not been met.
 - (w) Within one month of notification the applicant must submit a corrective action plan and must report on the progress of the plan within one year of that submission.
- (4) Contribution to the Orderly Development of Adequate and Effective Healthcare Facilities and/or Services. The contribution which the proposed project will make to the orderly development of an adequate and effective health care system may be evaluated upon the following factors:
 - (a) The relationship of the proposal to the existing health care system (for example: transfer agreements, contractual agreements for health services, the applicant's proposed TennCare participation, affiliation of the project with health professional schools);
 - (b) The positive or negative effects attributed to duplication or competition; and

(Rule 0720-11-.01, continued)

- (c) The availability and accessibility of human resources required by the proposal, including consumers and related providers.
- (5) Applications for Change of Site. When considering a certificate of need application which is limited to a request for a change of site for a proposed new health care institution, The Agency may consider, in addition to the foregoing factors, the following factors:
 - (a) Need. The applicant should show the proposed new site will serve the health care needs in the area to be served at least as well as the original site. The applicant should show that there is some significant legal, financial, or practical need to change to the proposed new site.
 - (b) Economic factors. The applicant should show that the proposed new site would be at least as economically beneficial to the population to be served as the original site.
 - (c) Quality of Health Care to be provided. The applicant should show the quality of health care to be provided will be served at least as well as the original site.
 - (d) Contribution to the orderly development of health care facilities and/or services. The applicant should address any potential delays that would be caused by the proposed change of site, and show that any such delays are outweighed by the benefit that will be gained from the change of site by the population to be served.
- (6) Certificate of need conditions. In accordance with T.C.A. § 68-11-1609, The Agency, in its discretion, may place such conditions upon a certificate of need it deems appropriate and enforceable to meet the applicable criteria as defined in statute and in these rules.

Authority: T.C.A. §§ 4-5-202, 4-5-208, 68-11-1605, 68-11-1609, and 2016 Tenn. Pub. Acts Ch. 1043.

Administrative History: Original rule filed August 31, 2005; effective November 14, 2005. Emergency rule filed May 31, 2017; effective through November 27, 2017.

**CERTIFICATE OF NEED
REVIEWED BY THE DEPARTMENT OF HEALTH
DIVISION OF POLICY, PLANNING AND ASSESSMENT
615-741-1954**

DATE: May 31, 2018

APPLICANT: Maxim Healthcare Services
115 East Park Drive, Suite 200
Brentwood, TN 37027

CON#: CN1803-013

CONTACT PERSON: John Wellborn
Development Support Group
4219 Hillsboro Road, Suite 210
Nashville, TN 37215

COST: \$90,000

In accordance with Section 68-11-1608(a) of the Tennessee Health Services and Planning Act of 2002, the Tennessee Department of Health, Division of Policy, Planning, and Assessment, reviewed this certificate of need application for financial impact, TennCare participation, compliance with *Tennessee's State Health Plan*, and verified certain data. Additional clarification or comment relative to the application is provided, as applicable, under the heading "Note to Agency Members."

SUMMARY:

Maxim Healthcare Services Inc. operates a home health agency licensed to serve in 9 Middle Tennessee counties: Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner, Wilson, and its principle office, located in Williamson County. The applicant is seeking to expand its service area to include 7 additional Middle Tennessee counties. These counties include Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury, adjoining the south, southeast, and southwest sides of the current Maxim service areas.

Maxim's principal office, located in Williamson County, will manage services in the proposed counties. The project will not require any capital expenditures other than for the CON process. The cost of the project would be \$90,000 to cover the Certificate of Need filing fee. If granted approval for the Certificate of Need, service to these counties will begin no later than January 1, 2019, making CY2019 Year One for the project.

GENERAL CRITERIA FOR CERTIFICATE OF NEED

The applicant responded to all of the general criteria for Certificate of Need as set forth in the document *Tennessee's State Health Plan*.

NEED:

The applicant, Maxim Healthcare Services, currently holds five Tennessee home health agency licenses, which covers 47 counties surrounding the state's five largest urban areas. The applicant's service area includes 9 Middle Tennessee counties, including Cheatham, Davidson, Dickson, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson. Maxim is known for specializing in pediatric home health, with 56% of their patient population being between ages 0 and 17 years old. Of the 46 home health agencies authorized to serve some or all of the proposed 7 counties for Maxim's expansion, only 10 or 22% of them served any pediatric patients at all. Only 3 of the agencies served more than 8 pediatric cases a year. Conversely, last year, Maxim cared for 160 pediatric patients, which was 69.3% of its total patients. The volume of pediatric patients served by Maxim in this area does not reflect a much larger population than in the 7 proposed counties. However, the key factor that gives Maxim the advantage is the experience of the staff. Maxim nursing teams typically treat approximately 160 pediatric patients a year, as

opposed to other agencies who cared for fewer than 2 pediatric patients a month. According to many of the local healthcare professionals, this project is a much needed one in the area. The applicant has submitted numerous letters of support from the aforementioned healthcare professionals.

Maxim is widely known for its service to TennCare enrollees. Last year, TennCare patients represented 84% of the Maxim patient population. Also, 92% of Maxim's gross revenues came from TennCare patients. The 2018 population is 293,790, and 2020 projected population is 299,825, a 1.8% increase.

Service Area	Agencies Report Serving	Patients Served	Proj. Pop. 2020	Proj. Need 2020	Need or (Surplus)
Bedford	20	1,563	51,961	779	(835)
Cannon	14	873	14,838	223	(667)
Coffee	18	2,773	57,865	868	(1,976)
DeKalb	15	962	20,206	303	(679)
Hickman	18	664	27,363	410	(272)
Marshall	18	3,094	34,648	520	(2,681)
Maury	17	717	92,944	1,394	650
Totals					(6460)

*Most recent year of Joint Annual Report data for Home Health Agencies

**Data is projected three years from the latest available year of final Home Health Joint Annual Report data.

Population Data Source: The University of Tennessee Center for Business and Economic Research Projection Data Files, reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment.

The State Health Plan methodology for projecting home health needs calculated a surplus, not a need, for additional home health capacity in the area. However, the applicant does not feel that the result is entirely accurate. In the service area, more than twice as many home health patients were actually cared for in 2017, as were projected in 2020 using the same methodology. Also, because the service area is aging, by 2020, it should require more home health care in the future than it did in 2017.

The project addresses a need for more access to highly qualified and responsive home care for both children and TennCare patients in a rural area of Tennessee. The applicant knows of no better alternative to this project. It is supported by numerous healthcare professionals such as doctors and nurses, and these are the people who best know the issue. On a daily basis, they work with the challenges of finding the most appropriate home care for this very fragile and vulnerable patient population.

The applicant claims that the project will enhance the care of complex patients and afford another option for residents of the area. This project will improve patient access to much needed home care. The project will provide broader access for TennCare patients as well as for complex patients.

The project's proposed service area is a group of 7 Middle Tennessee counties that wrap around the south, southwest, and southeast sides of the applicant's current 9-county service area. The proposed additional counties are Bedford, Cannon, Coffee, DeKalb, Hickman, Marshall, and Maury Counties.

2017 Pediatric Population Project Service Area

Bedford	13,180
Cannon	2,936
Coffee	13,195
DeKalb	4,303
Hickman	5,415
Marshall	7,758
Maury	21,199
Service Area	67,986

Projected Patient Origin from Proposed Additional Counties

County	Percent of Total	Year One Patients	Year Two Patients
Bedford	17%	3	6
Cannon	5%	1	2
Coffee	19%	3	7
DeKalb	7%	1	2
Hickman	9%	2	3
Marshall	12%	2	4
Maury	31%	6	12
Total All Counties	100%	18	36

*Source: TDH Population Projections

The following two charts show both the historical patient population and the projected patient population in the counties that the applicant is looking to expand into:

Service Area Counties	Historical Patients by County Residents 2017 JAR	% of Total Patients
Bedford	1,541	15.5%
Cannon	871	8.8%
Coffee	2,648	26.7%
DeKalb	959	9.7%
Hickman	654	6.2%
Marshall	777	7.8%
Maury	2,498	25.2%
Totals	9,948	100.0%

Service Area Counties	Projected Patients by County Residents 2020	% of Total Patients
Bedford	1,615	15.6%
Cannon	890	8.7%
Coffee	2,844	26.6%
DeKalb	982	9.6%
Hickman	683	6.2%
Marshall	744	7.9%
Maury	3,201	25.4%
Totals	10,958	100.0%

*Numbers are rounded and when expressed as whole numbers, they do not add to 10,958.

The following chart shows the number of patients served by home health organizations over a three year period within the area that the applicant wishes to expand:

County	2015 JAR Total Residents Served	2016 JAR Total Residents Served	2017 JAR Total Residents Served	'15 – '17% Change
Bedford	1,136	1,250	1,541	+35.7%
Cannon	472	595	871	+84.5%
Coffee	1,501	1,874	2,648	+76.4%
DeKalb	635	747	959	+51%
Hickman	565	658	654	+15.8%
Marshall	800	843	777	-2.9%
Maury	2,488	2,539	2,498	+0.4%
Total	7,597	8,506	9,948	+30.95%

The applicant states that there were 72 pediatric patients served in the project area last year and there may have been an additional 83 pediatric patients that needed home care but did not receive it. Maxim is requesting authorization to serve approximately 25 pediatric patients in Year Two.

	Pediatric Patients (70%)	Adult Patients (20%)	Geriatric Patients (5%)	Total Patients (100%)
Year One	12.6	4.5	0.9	18.0
Year Two	25.0	9.0	1.9	36.0

The following charts show the net operating margins of both the total facility and the project itself:

Middle Tennessee Agency

	2 nd Year Previous to Current Year	1 st Year Previous to Current Year	Current Year	Projected Year 1	Projected Year 2
Net Operating Margin Ratio	20.04%	22.0%	--	21.2%	21.5%

Project Only

	2 nd Year Previous to Current Year	1 st Year Previous to Current Year	Current Year	Projected Year 1	Projected Year 2
Net Operating Margin Ratio	N/A	N/A	N/A	23.0%	23.0%

The following chart shows the utilization of Maxim Health Services from the years 2015 to 2017:

Utilization of Maxim Health Services (Middle Tennessee) 2015 - 2017

	2015	2016	2017
Patients	37	210	231
Visits	18	31,112	933
Hours	9,494	391,385	535,300

*Source: Joint Annual Reports

**Note: JAR is fiscal year ending June 30; Historic Data Chart is calendar year data and will not match this table's data.

TENNCARE/MEDICARE ACCESS:

The applicant participates in the Medicare and Medicaid/TennCare programs. The applicant contracts with TennCare MCOs AmeriGroup, TennCare Select, and United Healthcare Community Plan.

The applicant's projected payor mix for year one is provided below:

Projected Payor Mix-Year One

Payor Source	Projected Gross Operating Revenue	As a Percent of Total Revenue
Medicare/Medicare Managed Care	\$0	0%
TennCare/Medicaid	\$909,814	88%
Commercial/Other Managed Care	\$124,066	12%
Self-Pay	\$0	0%
Charity Care	\$0	0%
Other:	\$0	0%
Total	\$1,033,880	100%

ECONOMIC FACTORS/FINANCIAL FEASIBILITY:

The Department of Health, Division of Policy, Planning, and Assessment have reviewed the Project Costs Chart, the Historical Data Chart, and the Projected Data Chart to determine if they are mathematically accurate and if the projections are based on the applicant's anticipated level of utilization. The location of these charts may be found in the following specific locations in the Certificate of Need Application or the Supplemental material:

Project Costs Chart: The Project Costs Chart is located on page 41 of the initial application. The total project cost is \$90,000.

Historical Data Chart: The Historical Data Chart is located on page 44 of the initial application. It shows years 2015, 2016, and 2017, for which the net incomes were \$1,135,191, \$1,492,207, and \$2,160,766, respectively.

Projected Data Chart: The Projected Data Chart is located on page 47 of the initial application. It shows Year One (2019) and Year Two (2020). The projected net incomes for only the proposed additional counties are \$117,807 and \$235,614, respectively. The projected net incomes for the entire area with the project included are \$2,277,691 and \$2,702,307.

The applicant is currently operating at a positive cash flow. Furthermore, this project requires minimal funding to cover the CON application fee. Maxim Healthcare has sufficient resources to fully fund the project.

Average Gross, Deduction, and Net Charges

	Project Previous Year	Project Current Year	Project Year 1	Project Year 2	% Change
Avg. Gross Charge	N/A	N/A	\$57,438/patient; \$85/visit	\$57,438/patient; \$85/visit	0%
Avg. Deduction from Revenue	N/A	N/A	\$366.50/patient; \$7.05/visit	\$366.50/patient; \$7.05/visit	0%
Average Net Charge	N/A	N/A	\$57,071/patient; \$1,097.52/visit	\$57,071/patient; \$1,097.52/visit	0%

The current and year one staff is provided below:

Position Classification	Existing FTEs (Year 2017)	Projected FTEs (Year 1)	Average Wage (Contractual Rate)	Statewide Mean Wage
A. Direct Patient Care Positions				
Home Health Aide	11.00	13.00	\$20,000 – \$23,000	\$20,660
Licensed Practical Nurse	160.00	172.00	\$37,000 - \$42,000	\$37,920
Registered Nurse	2.00	5.00	\$42,000 - \$56,000	\$58,410
Total Direct Patient Care Positions	173.00	190.00		
B. Non-Patient Care Positions				
Director of Business Operations	1.00	1.00	\$80,000 - \$85,000	n/a
Director of Clinical Operations	1.00	1.00	\$80,000 - \$85,000	n/a
RN Clinical Manager	1.00	1.00	\$60,000 - \$65,000	n/a
Business Development Manager	2.00	2.00	\$50,000 - \$55,000	n/a
Recruiter	6.00	6.00	\$38,000 – \$40,000	n/a
RN Clinical Supervisor	6.00	6.00	\$50,000 - \$53,000	n/a
Field Support Manager	1.00	1.00	\$47,500 - \$50,000	n/a
Personnel Coordinator	2.00	2.00	\$27,000 - \$30,000	n/a
Payroll Clerk	2.00	2.00	\$27,000 - \$30,000	n/a
Total Non-Patient Care Positions	22.00	22.00		
Total Employees (A+B)	195.00	212.00		
C. Contractual Staff		0.00		
Total Staff (A+B+C)	195.00	212.00		

The estimated costs per patient visit are indicated in the chart below.

Cost Per Visit and Per Patient

	Year One (2019)	Year Two (2020)
Patients	18	36
Total Visits	936	1,870
Skilled Nursing Visits (100%)	936	1,870
Cost per Skilled Visit	\$57.72	\$57.72

Total Cost, Skilled Visit	\$54,021	\$108,043
Home Health Aide Visits (0%)	n/a	n/a
Cost per HH Aide Visit	n/a	n/a
Total Cost, Aide Visits	n/a	n/a
Total Cost, Skilled and Aide Visits	\$701,576	\$1,403,153
Total Cost Per Patient	\$38,976	\$38,976

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTHCARE:

This project aims to extend Maxim's complex and financially accessible services into rural counties in Middle Tennessee. Maxim has pledged to the CON agency in every previously approved CON application to not compete with existing agencies for their Medicare patients, and will instead serve only the minimum number of Medicare patients required to hold a Medicare number and maintain eligibility to serve the TennCare population. Maxim has kept that commitment. Also, Maxim is able to care for hundreds of children whose only financial resource is the TennCare program. The applicant has two full-time professionals, who act as liaisons, communicating and coordinating with physicians, medical specialists, discharge planners, and referral coordinators. On occasion, Maxim is contacted by the Department of Children's Services.

The applicant states that there are many positive effects linked to the implementation of this project. The addition of Maxim as another choice for pediatric patients will be beneficial to patient care. Most of the home health providers in the area do not care for more than a few children a year, whereas Maxim specializes in the treatment of children. Maxim brings a degree training and expertise that will strengthen consumer confidence and options. Furthermore, the applicant foresees no negative effects in the implementation of this project. This project is unlikely to affect other agencies in the area as Maxim does not compete for Medicare patients. As a specialized program, Maxim had 36 patients in its second year of operation. These 36 Maxim patients would be less than one-half of 1% of the patients served in the area last year.

Clinical caregiver staff will need to be added to assist in servicing these counties. The applicant is projecting an addition of 17 FTEs, all of which will be clinical caregivers. At the moment, there appears to be no reason to add any more central office staff.

Note to agency members:

The applicant has disclosed that it is currently subject to ongoing investigations and regulatory actions. The applicant is a part of a various lawsuits concerning misinterpretation of billing regulations, falsification of physician signatures and not following program specific requirements, billing without complete frequency and duration orders, and Homeland Security whistleblower subpoena for alleged retaliatory discharge. In addition to all of those, Maxim is currently facing civil litigation matters involving professional negligence claims and employment, as well as claims of medical malpractice.

QUALITY MEASURES:

The applicant is currently licensed by the State of Tennessee and Tennessee Department of Health, Board for Licensing Healthcare Facilities and accredited by the Accreditation Commission for Health Care (ACHC). Also, Maxim has partnered with Johns Hopkins University School of Nursing in creating an interactive on-line training program for nurses who provide ventilator home care. Furthermore, Maxim nurses are trained to cover the care of a patient with a tracheotomy, care of a ventilated patient, performance of respiratory and cardiopulmonary assessments, and other emergency situations. After the rigorous training, these nurses work in the field with another, more experienced and competent ventilator nurse before being allowed to work independently.

Maxim has a Quality Improvement Program that is implemented across the company to provide a systematic, standardized process for designing, implementing, analyzing, and measuring quality improvement initiatives. One component of this program is Incident Report Management. All incidents are reviewed by the Quality Improvement Team and are aggregated quarterly. This is

designed to identify any actual or potential occurrences that have an impact on patient care, in an effort to eliminate any potential risks.

CERTIFICATE OF NEED STANDARDS AND CRITERIA

FOR

HOME HEALTH SERVICES

Standards and Criteria

1. **Determination of Need:** In a given county, 1.5 percent of the total population will be considered as the need estimate for home health services in that county. This 1.5 percent formula will be applied as a general guideline, as a means of comparison within the proposed Service Area.
2. The need for home health services should be projected three years from the latest available year of final JAR data.
3. The use rate of existing home health agencies in each county of the Service Area will be determined by examining the latest utilization rate as calculated from the JARs of existing home health agencies in the Service Area. Based on the number of patients served by home health agencies in the Service Area, estimation will be made as to how many patients could be served in the future.

Service Area	Agencies Report Serving	Patients Served	Proj. Pop. 2020	Proj. Need 2020	Need or (Surplus)
Bedford	20	1,563	51,961	779	(835)
Cannon	14	873	14,838	223	(667)
Coffee	18	2,773	57,865	868	(1,976)
DeKalb	15	962	20,206	303	(679)
Hickman	18	664	27,363	410	(272)
Marshall	18	3,094	34,648	520	(2,681)
Maury	17	717	92,944	1,394	650
Totals					(6460)

*Most recent year of Joint Annual Report data for Home Health Agencies

**Data is projected three years from the latest available year of final Home Health Joint Annual Report data.

Population Data Source: The University of Tennessee Center for Business and Economic Research Projection Data Files, reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment.

4. **County Need Standard:** The applicant should demonstrate that there is a need for home health services in each county in the proposed Service Area by providing documentation (e.g., letters) where: a) health care providers had difficulty or were unable successfully to refer a patient to a home care organization and/or were dissatisfied with the quality of services provided by existing home care organizations based on Medicare's system Home Health Compare and/or similar data; b) + or providers in the proposed Service Area attempted to find appropriate home health services but were not able to secure such services; c) providers supply an estimate of the potential number of patients that they might refer to the applicant.

Maxim nursing teams typically treat approximately 160 pediatric patients a year, as opposed to other agencies who cared for fewer than 2 pediatric patients a month. According to many of the local healthcare professionals, this project is a much needed one in the area. The applicant has submitted numerous letters of support from numerous healthcare professionals.

5. **Current Service Area Utilization:** The applicant should document by county:
a) all existing providers of home health services within the proposed Service Area; and b) the number of patients served during the most recent 12-month period for which data are available. To characterize existing providers located within Tennessee, the applicant should use final data provided by the JARs maintained by the Tennessee Department of Health. In each county of the proposed Service Area, the applicant should identify home health agencies that have reported serving 5 or fewer patients for each of the last three years based on final and available JAR data. If an agency in the proposed Service Area who serves few or no patients is opposing the application, that opponent agency should provide evidence as to why it does not serve a larger number of patients.

Health Statistics ID	Agency County	Agency Name	Number of Counties Agency is Licensed to Serve	No. of Agency's Counties in Project Service Area	Percent of Agency's Counties in Project Service Area	Agency's Patients From Project Service Area Counties	Agency's Total Patients in TN	% of Agency's Total TN Patients From Service Area Counties
02024	Davidson	Heritage Home Health (Tennova HH)	7	3	42.9%	447	529	84.5%
60044	Maury	Maury Regional Home Services	8	2	25.0%	1,161	1,548	75.0%
41034	Hickman	St. Thomas Home Health	8		0.0%	213	297	71.7%
16034	Coffee	Suncrest Home Health	15	5	33.3%	2,391	4,206	56.8%
89064	Warren	Intrepid USA Healthcare Services	16	5	31.3%	383	877	43.7%
75064	Rutherford	Amedisys Home Health Care	19	5	26.3%	485	1,206	40.2%
60024	Maury	NHC Homecare	21	4	19.0%	1,069	2,855	37.4%
60084	Maury	Quality First Home Care	5	2	40.0%	385	1,181	32.6%
21024	DeKalb	Suncrest Home Health	7	2	28.6%	1,327	5,322	24.9%
26054	Franklin	Amedisys Home Care	16	5	31.3%	171	723	23.7%
75054	Rutherford	Amedisys Home Health	7	3	42.9%	91	508	17.9%
19714	Davidson	Adoration Home Health, LLC (Tennova HH)	24	7	29.2%	281	1,811	15.5%
19694	Davidson	Willowbrook Home Health Care Agency	36	7	19.4%	237	1,960	12.1%
19734	Davidson	Coram CVS Specialty Infusion Services	38	7	18.4%	4	35	11.4%
89084	Warren	Friendship Home Health, Inc.	10	3	30.0%	21	186	11.3%
89074	Warren	Carroll Home Care Services	10	3	30.0%	57	529	10.8%
26024	Franklin	Encompass Home Health of Tennessee	34	7	20.6%	157	1,777	8.8%
75024	Rutherford	NHC Homecare	24	5	20.8%	396	4,695	8.4%
52024	Lincoln	Deaconess Homecare	25	6	24.0%	26	334	7.8%
19584	Davidson	Home Health Care of Middle Tennessee	14	4	28.6%	200	2,608	7.7%
19544	Davidson	Homecare Solutions, Inc.	96	7	7.3%	99	1,475	6.7%
19494	Davidson	Elk Valley Health Services, Inc.	96	7	7.3%	30	468	6.4%
19724	Davidson	Carroll	28	5	17.9%	30	633	4.7%
94074	Williamson	Guardian Home Care of Nashville, LLC	14	1	7.1%	70	1,607	4.4%
19614	Davidson	Friendship Home Healthcare, Inc.	14	4	28.6%	20	537	3.7%
19674	Davidson	Amedisys Home Health (10th Avenue S)	16	2	12.5%	48	1,711	2.8%
95074	Wilson	Kindred at Home (Via Gentiva Hlth Svcs)	15	2	13.3%	33	1,345	2.7%
19084	Davidson	Kindred at Home (Via Gentiva Hlth Svcs)	12	1	8.3%	27	1,147	2.4%
20055	Decatur	Volunteer Homecare of West Tennessee	17	1	5.9%	39	2,035	1.9%
20045	Decatur	Tennessee Quality Homecare-Southwest	24	2	8.3%	26	1,465	1.8%
71014	Putnam	Highland Rim Home Health Agency	14	1	7.1%	4	620	0.6%
83114	Sumner	Highpoint Homecare	10	1	10.0%	9	1,699	0.5%
06063	Bradley	Home Health Care of East Tennessee, Inc	17	1	5.9%	8	1,810	0.4%
52044	Lincoln	Lincoln Medical Home Health & Hospice	7	3	42.9%	1	359	0.3%
95034	Wilson	Deaconess Homecare I	21	5	23.8%	1	828	0.1%
19504	Davidson	Brookdale Home Health Nashville	22	4	18.2%	1	899	0.1%
19024	Davidson	Amedisys Home Health (Glen Echo Rd)	22	6	27.3%	0	1,121	0.0%
19664	Davidson	Amedisys Home Health Services	10	1	10.0%	0	896	0.0%
95084	Wilson	American National Home Health	10	1	10.0%	0	214	0.0%
14024	Kear	Cumberland River Homecare	10	1	10.0%	0	414	0.0%
40075	Henry	Henry County Medical Center Home Health	12	1	8.3%	0	412	0.0%
19364	Davidson	Intrepid USA Healthcare Services	19	7	36.8%	0	588	0.0%
71084	Putnam	Intrepid USA Healthcare Services	8	1	12.5%	0	249	0.0%
63044	Montgomery	Suncrest Home Health of Nashville, Inc.	11	1	9.1%	0	1,168	0.0%
19394	Davidson	Vanderbilt Community & Home Services	20	7	35.0%	0	64	0.0%
19394	Davidson	Vanderbilt HC/Option Care IV Services	33	7	21.2%			
TOTALS & AVERAGE						9,948	56,853	17.5%

Source: TDH 2017 Joint Annual Reports; RSDA Registry for authorized counties.

- Adequate Staffing:** Using TDH Licensure data, the applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise, and retain the appropriate numbers of qualified personnel to provide the services described in the application and document that such personnel are available to work in the proposed Service Area. The applicant should state the percentage of qualified personnel directly employed or employed through a third party staffing agency.

Clinical caregiver staff will need to be added to assist in servicing these counties. The applicant is projecting an addition of 17 FTEs, all of which will be clinical caregivers. At the moment, there appears to be no reason to add any more central office staff.

- Community Linkage Plan:** The applicant should provide a community linkage plan that demonstrates factors such as, but not limited to, referral arrangements with appropriate health care system providers/services (that comply with CMS patient choice protections) and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. A new provider may submit a proposed community linkage plan.

8. **TennCare Managed Care Organizations (MCOs) and Financial Viability:** Given the time frame required to obtain Medicare certification, an applicant proposing to contract with the Bureau of TennCare's MCOs should provide evidence of financial viability during the time period necessary to receive such certification. Applicants should be aware that MCOs are under no obligation to contract with home care organizations, even if Medicare certification is obtained, and that Private Duty Services are not Medicare certifiable services. Applicants who believe there is a need to serve TennCare patients should contact the TennCare MCOs in the region of the proposed Service Area and inquire whether their panels are open for home health services, as advised in the notice posted on the HSDA website, to determine whether at any given point there is a need for a provider in a particular area of the state; letters from the TennCare MCOs should be provided to document such need. See Note 2 for additional information.

Applicants should also provide information on projected revenue sources, including non-TennCare revenue sources.

Projected Payor Mix-Year One

Payor Source	Projected Gross Operating Revenue	As a Percent of Total Revenue
Medicare/Medicare Managed Care	\$0	0%
TennCare/Medicaid	\$909,814	88%
Commercial/Other Managed Care	\$124,066	12%
Self-Pay	\$0	0%
Charity Care	\$0	0%
Other:	\$0	0%
Total	\$1,033,880	100%

9. **Proposed Charges:** The applicant's proposed charges should be reasonable in comparison with those of other similar agencies in the Service Area or in adjoining service areas. The applicant should list:
- The average charge per visit and/or episode of care by service category, if available in the JAR data.
 - The average charge per patient based upon the projected number of visits and/or episodes of care and/or hours per patient, if available in the JAR data.

Average Gross, Deduction, and Net Charges

	Project Previous Year	Project Current Year	Project Year 1	Project Year 2	% Change
Avg. Gross Charge	N/A	N/A	\$57,438/patient; \$85/visit	\$57,438/patient; \$85/visit	0%
Avg. Deduction from Revenue	N/A	N/A	\$366.50/patient; \$7.05/visit	\$366.50/patient; \$7.05/visit	0%
Average Net Charge	N/A	N/A	\$57,071/patient; \$1,097.52/visit	\$57,071/patient; \$1,097.52/visit	0%

10. **Access:** In concert with the factors set forth in HSDA Rule 0720-11-.01(1) (which lists those factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area for groups with special medical needs such as, but not limited to, medically fragile children, newborns and their mothers, and HIV/AIDS patients. Pediatrics is a special medical needs population, and therefore any provider applying to provide these services should demonstrate documentation of adequately trained staff specific to this population's needs with a plan to provide ongoing best practice education. For purposes of this Standard, an applicant should document need using population, service, special needs, and/or disease incidence rates. If granted, the Certificate of Need should be restricted on condition, and thus in its licensure, to serving the special group or groups identified in the application. The restricting language should be as follows: *CONDITION: Home health agency services are limited to (identified specialty service group); the expansion of service beyond (identified specialty service group) will require the filing of a new Certificate of Need application.* Please see Note 3 regarding federal law prohibitions on discrimination in the provision of health care services.
11. **Quality Control and Monitoring:** The applicant should identify and document its existing or proposed plan for data reporting (including data on patient re-admission to hospitals), quality improvement, and an outcome and process monitoring system (including continuum of care and transitions of care from acute care facilities). If applicable, the applicant should provide documentation that it is, or that it intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., the Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for home health services from CMS.

Maxim has a Quality Improvement Program that is implemented across the company to provide a systematic, standardized process for designing, implementing, analyzing, and measuring quality improvement initiatives. One component of this program is Incident Report Management. All incidents are reviewed by the Quality Improvement Team and are aggregated quarterly. This is designed to identify any actual or potential occurrences that have an impact on patient care, in an effort to eliminate any potential risks. The applicant is currently licensed by the State of Tennessee and Tennessee Department of Health, Board for Licensing Healthcare Facilities and accredited by the Accreditation Commission for Health Care (ACHC).

12. **Data Requirements:** Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.